

ate at the Palace... Japanese... Prince Naruhiko...

The Global Newspaper Edited and Published in Paris... London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

INTERNATIONAL Herald Tribune

Table with exchange rates for various currencies including Hong Kong, Taiwan, Singapore, etc.

No. 34,176

2/93

Published With The New York Times and The Washington Post

PARIS, FRIDAY, JANUARY 15, 1993

ESTABLISHED 1887

Bombers Hit Half Their Targets

WASHINGTON — The White House said Thursday that the military strike against Iraq destroyed only about half the targeted missile sites and radar installations.

The White House press secretary, Marlin Fitzwater, said, "In terms of accomplishing its political and diplomatic purposes, we think it certainly did send a strong message to Saddam Hussein that we are prepared to act to enforce the resolutions, that we have the political will and the military ability to do it."

Mr. Fitzwater said that Iraq's chief delegate to the United Nations had indicated that Baghdad now would comply with the UN resolutions. "We'll have to wait and see," he added.



Iraqis buying food on Thursday at a market in Baghdad. Iraq said 19 people were killed in the allied air strikes late Wednesday night.

Clinton's Message to Saddam: No Hope of Normal Relations

By Thomas L. Friedman... WASHINGTON — President-elect Bill Clinton on Thursday backed away from his suggestion that he would be ready to have a relationship with President Saddam Hussein of Iraq if he changed his behavior and abided by all United Nations resolutions.

Shifting Gears On the Tax Cut

Seeking to explain an apparent change in his position on a tax cut for middle-class Americans, President-elect Bill Clinton said Thursday that the plan was never a major theme in his election campaign.

sitting here on the couch. I would further the change in his behavior. "You know," he added, "if he spent just a half, maybe even a third, of the time worrying about the welfare of his people that he spends worrying about where he positions his SAM missiles and whether he can aggravate Bush by violating the cease-fire agreement, what he's going to do to the people who don't agree with him in the south and in Iraq and in his own country, I think he'd be a stronger leader and a lot better shape over the long run."

Arabs Decry West's 'Double Standard'

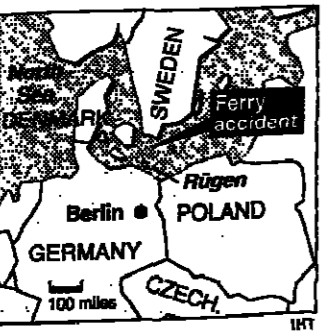
By Youssef M. Ibrahim... CAIRO — Arab reaction to the allied air raid on Iraq has been muted, reflecting little concern for Iraq itself but focusing on what several leading Arab figures described as a double standard in applying United Nations sanctions to Arabs and non-Arabs.

Arabs Decry West's 'Double Standard'... Hanan Ashrawi, the spokeswoman for the Palestinians who supported the Iraqi position throughout the Gulf crisis, noted that this time around "the reaction has been calm and rational."

Arabs Decry West's 'Double Standard'... Israel welcomed the allied bombing, recalling only how regrettable it was that the allies did not finish the job of removing Mr. Saddam after his defeat in the Gulf War.

Baltic Ferry Capsizes, Killing 48

Compiled by Our Staff From Dispatches STRALSUND, Germany — A Polish ferry capsized in fierce storms off Germany's Baltic coast Thursday, and 48 of the 60 people aboard were presumed dead, the police said.



northeastern tip, after listing in churning seas with winds of up to 160 kilometers an hour (100 miles an hour). A Mecklenburg state police spokesman confirmed that eight bodies had been pulled from the freezing waters.

Kiosk Cover-Up Claims Danish Leader

COPENHAGEN (AP) — Prime Minister Poul Schluter resigned Thursday after an inquiry found he had covered up an illegal policy of blocking visas for relatives of Sri Lankan refugees in Denmark.

Table with financial data: Dow Jones (Up 4.32), Trib Index (Up 0.35%), The Dollar (New York, Ft. 93P.M., previous close 1.6243, 1.6222), DM (1.5375, 1.5493), Pound (125.645, 125.665), Yen (5.503, 5.4985).



BOYS WILL BE... BOYS? — Muslim youths imitating their elders Thursday as they posed in front of a car riddled with shrapnel in Dobrinja, a Sarajevo suburb. Britain, meanwhile, said it was sending an aircraft carrier to support its troops in Bosnia. Page 2.

In Russia, a Leap Into Privatization

By Fred Hiatt... MOSCOW — Russia kicked off a highly ambitious plan Thursday to privatize hundreds of state-owned companies in a process largely financed by the U.S. government and unmatched anywhere in scale and urgency.

Leica, Bucking a Trend, Focuses on Germany to Keep Up Its Cult Image

By Brandon Mitchener... SOLMS, Germany — With the right camera, some photographers can do no wrong. So it was that Willi Klar, hastily shooting a portrait of a famous actor in the 1930s, accidentally chopped off one ear.

camera to a 'big passionate kiss, or then again like a pistol shot or the couch of a psychoanalyst.' As the testimonials show, the inventor of the first successful 35mm camera, Leica Camera GmbH is the focus of a cult as obsessed with its cameras' souls as with their lenses.

Canada, at the same time increasing sales and profit, in what some people say is proof that German quality is alive and selling well. "Although the entire camera economy has suffered a dramatic decline, Leica last year maintained its sales, as planned, at the high level of the year before," Leica said Wednesday.

Other camera makers abandoned the rangefinder system years ago and moved toward plastic camera and lens bodies, but Leica, said Mr. Simon, "continues to serve the needs of purists, and in that sense we don't have any competition."

As the result of a series of mergers in the late 1980s, Leica Holdings is largely a maker of microscopes and surveying equipment, and it has been trying for several years to spin off the camera operations to concentrate on these areas. But the company said Wednesday it has postponed any action until summer after a planned management buyout failed.



Vuk Draskovic, left, a Serbian opposition leader, having his palm read Thursday during an Orthodox New Year celebration in Belgrade.

# U.K. Sends Carrier After British Soldier Is Killed in Bosnia

By Eugene Robinson  
*Washington Post Service*

LONDON — Britain will deploy the aircraft carrier Ark Royal to the Adriatic and may send more troops to Bosnia to protect British forces there following the death of a British soldier on Wednesday, Defense Secretary Malcolm Rifkind said Thursday.

Mr. Rifkind told the House of Commons that about 90 specialist troops would be sent to Bosnia to supplement the 2,400 there protecting humanitarian aid convoys. An additional 300 troops will remain on standby aboard the Ark Royal, which will be accompanied by two destroyers and three support ships.

The specialist troops will be available to reinforce British forces now on the ground, and would act in the event an evacuation was required, Mr. Rifkind said.

He said this did not mean any change in the British role in Bosnia. The government continues to believe "it is not appropriate to intervene in what is essentially a civil war," Mr. Rifkind said.

Some members of Parliament expressed concern that the announcement represented an escalation of British involvement in the former Yugoslavia, while others argued that additional forces should be committed to protect the Bosnian Muslim population.

On Wednesday, Lance Corporal Wayne John Edwards, 26, of the Royal Welch Fusiliers, was killed by gunfire in central Bosnia. The killing occurred during a fight between Croats and Muslims, well away from Serb forces, which have attacked British troops in recent days.

The Ark Royal left Portsmouth on Thursday and was expected to undergo several days of final preparations following a major overhaul before deployment in the Adriatic.

**Ultimatum From EC**  
The British decision to send the carrier came as the UN Security Council deliberated a resolution to enforce the no-flight zone over Bosnia. That resolution would give the Serbs a 30-day deadline to halt flights over Bosnia.

The European Community, meanwhile, gave the Serbs six days to accept a peace plan to end the fighting or face additional punitive measures by the United Nations.

Foreign Minister Uffe Ellemann-Jensen of Denmark, the EC president, issued the ultimatum after a midnight meeting of the 12 EC ministers in Paris, where they were

## WORLD BRIEFS

### Some Arabs Reject Poison Gas Ban

PARIS (AP) — The refusal of some Arab states and North Korea to sign a global ban on chemical warfare signaled Thursday that chemical weapons would remain a threat in two of the world's most volatile regions.

By Thursday night, 120 nations had signed, and a few more could join them before the three-day ceremony ends Friday. Sixty-five signatures were needed to ratify the pact.

Hard-line states such as Syria and Iraq rejected the ban. Libya flirted with signing before missing the appointed hour Thursday. But four Arab states in North Africa — Algeria, Mauritania, Morocco and Algeria — broke an Arab League boycott of the treaty and signed Wednesday at a ceremony opened. North Korea, suspected of developing both chemical and nuclear arms, refused to attend the conference.

### Honecker Begins His Exile in Chile

SANTIAGO (Reuters) — Erich Honecker, the former East German leader whose manslaughter trial in Berlin was ended because he has advanced liver cancer, arrived Thursday to begin exile in Chile, television reports said.

Mr. Honecker, 80, walked unaided down the steps of the plane, embraced his wife and then was taken by bus to an airport lounge where leaders of the Chilean Communist and Socialist parties awaited him.

Mr. Honecker was released from a Berlin jail Wednesday after a court, noting his illness, ruled that continued imprisonment violated his human rights. He had been held on charges arising from shooting deaths at the Berlin Wall.

### Fire Again Breaks Out at Chernobyl

KIEV (Reuters) — Fire broke out on Thursday for the second time in under two days at the Chernobyl nuclear station, site of the world's worst nuclear accident, but officials said both incidents were minor and posed no danger of radiation.

Officials said the second fire occurred in a remote section of a concrete tomb encasing the fourth reactor — the one that exploded in April 1986, sending radiation over most of Europe. The two reactors still functioning at the station pending its complete shutdown later this year continued producing electricity throughout the incident.

Although both of this week's incidents at the station, 140 kilometers (86 miles) north of Kiev, measured zero on the seven-point international scale of nuclear accidents, they seem certain to undermine Ukraine's demoralized nuclear industry and inflame hostile public opinion.

### 2 Asian Leaders Laud U.S. Presence

KUALA LUMPUR (AP) — The leaders of Japan and Malaysia called Thursday for continued U.S. military, political and economic presence in Asia, saying it was crucial for regional stability.

The call came during talks between Prime Minister Kiichi Miyazawa of Japan and Prime Minister Mahathir bin Mohamad. Mr. Miyazawa was halfway through a three-day visit here as part of a four-nation tour of Southeast Asia.

A spokesman for the Japanese delegation, Sadaaki Numata, quoted Mr. Miyazawa as saying that the U.S. presence was a "very important stabilizing factor in the region." Foreign Minister Abdullah Ahmad Badawi of Malaysia, who was at the talks, said the two leaders felt the U.S. presence should not be seen as an attempt to dominate the region.

### Bullying Seen in Japan Boy's Death

TOKYO (Reuters) — The battered body of a 13-year-old boy found hidden in a rolled-up gym mat could be the latest victim of the bullying still widespread in Japanese schools, the police said Thursday.

"Evidence so far appears to suggest that he was bullied but we have not completed our investigation," said a police spokesman in Shinjo, northern Japan. Teachers and pupils at a Shinjo school searching for Yuchi Kodama found his body Wednesday in a tool shed. It was head down in a rolled mat, with his feet protruding.

An autopsy showed that the boy probably died from suffocation. The body was heavily bruised but doctors decided this did not lead to his death, the spokesman said.

### Taiwan Gets Funds for U.S. Jet Deal

TAIPEI (Reuters) — Taiwan's legislature unanimously approved on Thursday the first installment of a \$6 billion budget to buy 150 F-16 jet fighters from the United States, legislators said.

The legislature adopted a third and final reading of the \$662 million budget request at a private session. But it also approved resolutions requiring the government to negotiate technology transfers in the F-16 deal and future foreign arms purchases, allowing Taiwanese companies to produce parts worth at least 10 percent of the contract.

Some legislators in the governing Nationalist Party and the main opposition Democratic Progressive Party had threatened to try to block the deal unless Washington agreed to transfer some production technology to the island. The legislature did not set a timetable for Taiwan to ask the maker of the F-16, General Dynamics Corp., for technology transfer. General Dynamics agreed last month to sell its fighter division to Lockheed Corp.

### Greece Adamant on Macedonia Issue

PARIS (AFP) — Greece maintained its hard-line position on Macedonia on Thursday after Foreign Minister Michalis Papaconstantinou ended talks with the United Nations secretary-general, Boutros Boutros Ghali, and Foreign Minister Roland Dumas of France.

"Greece has a position and is not interested in changing it," Mr. Papaconstantinou said. "It can't change it just because others change." To the irritation of its European Community partners, Athens has been blocking recognition of the former Yugoslav republic, arguing that it has a historic claim to the name "Macedonia," which is also the name of a region in Greece.

## TRAVEL UPDATE

KLM Royal Dutch Airlines said it was cutting winter fares to U.S. destinations an average 100 guilders to stimulate holiday travel. The reductions, subject to government approvals, are for outward flights taken from Jan. 15 to March 31, and return flights before April 9. There are minimum stay restrictions. A round-trip flight to Baltimore, Boston, New York or Philadelphia will now cost 893 guilders (\$490). Chicago and Detroit cost 993 guilders, destinations in Florida 1093, and flights to West coast cities 1193 guilders.

KLM will take over Japan Air Lines' passengers arriving at Amsterdam's airport from Tokyo for ongoing flights to Madrid and Zurich on KLM planes starting in April. The agreement, which includes code-sharing or sharing the same flight number, will be signed next week in Japan, KLM said in Amsterdam.

Delta Air Lines and Swissair have announced a code-sharing agreement and plans to share facilities in the United States and Switzerland. The code-sharing program on select trans-Atlantic flights will begin in June, subject to approval by regulatory authorities. Under the agreement, Delta will inaugurate the first daily nonstop service between Cincinnati and Zurich.

## Soviets Copied First A-Bomb From U.S.

By Serge Schmemmann  
*New York Times Service*

MOSCOW — The first Soviet atomic bomb, whose explosion in August 1949 formally launched the Cold War arms race, was a copy of the first American atomic bomb, built from plans supplied by at least one spy, according to the Russian who built that bomb.

The scientist, Yuri B. Khariton, said that Soviet scientists were well on their way to making their own bomb when the Americans detonated a bomb in 1945 and proceeded to use them on Hiroshima and Nagasaki.

Soon after, Soviet scientists received the full plans for the U.S. bomb. Mr. Khariton credited Klaus Fuchs, a young German physicist who passed secrets to the Soviets. But he did not rule out that other spies, including a scientist that the KGB has so far identified only as "Perseus," might also have been sources.

In any case, Stalin's pressure for results — and the fear of what an unsuccessful test firing would mean in an era when failure often meant execution — prompted the scientists to go ahead with a model that had already been tested, Mr. Khariton said.

"By 1951 we detonated our own version, which was twice as powerful and much lighter than the American bomb," said Mr. Khariton, 88, a participant in the Soviet atomic bomb program from its inception. "We never abandoned our own work, but Fuchs enabled us to detonate a bomb two years earlier."

Mr. Khariton is an honored veteran of the Soviet nuclear program who still lives in Arzamas-16, the isolated former monastery in central Russia where the secret Soviet nuclear research center was founded after World War II.

He and a younger colleague, Yuri N. Smirnov, offered some recollections in an address in Moscow at the Kurchatov Institute, Russia's premier nuclear research center.

Mr. Khariton is adamant that Soviet intelligence had no part in the development of the Soviet hydrogen bomb. The Soviet scientists got some of the initial calculations made by Edward Teller, who was instrumental in developing the U.S. hydrogen bomb, but these proved to be erroneous, Mr. Khariton said.

The hydrogen bomb the Soviets exploded on Oct. 12, 1953 — the first such bomb to be detonated — was the work of Andrei D.

Sakharov, the physicist who became the leading critic of the Soviet state and now, three years after his death, is held in reverence among Russians.

Mr. Khariton and Mr. Smirnov made no mention in their articles or conversation of any of the celebrated atomic spies other than Mr. Fuchs, a young German physicist and Communist who moved to England in the 1930s and began cooperating voluntarily with the Soviets in 1941 out of indignation that the Western powers were not sharing their weapons research with their Soviet allies.

From 1943 to 1946, Mr. Fuchs worked on the Manhattan Project, the U.S. atomic-bomb project. He was arrested in England in 1950 and sentenced to 14 years in prison. Released after nine years, he spent his last years in East Germany and died in 1988.

The other legendary suspects in the atom race were Julius and Ethel Rosenberg, who were executed by the United States in 1953. The Rosenbergs insisted to the end that they were innocent.

But recently declassified U.S. government files indicate that the couple transmitted important atomic secrets to the Soviets.

## Senators Ask if Reagan Funneled Aid to Laotians

By Michael Ross  
*Los Angeles Times Service*

WASHINGTON — A Senate committee has unanimously agreed to ask the Justice Department to open a criminal investigation into allegations that the White House under Ronald Reagan ran a covert operation, using POW-MIA activists groups as fronts, to funnel aid to anti-Communist Laotian rebels in the mid-1980s.

"What we basically want the Justice Department to do is to tell us if what we are dealing with here is the 'Son of Olive North,'" said Senator Charles E. Grassley, Republican of

Iowa, a member of the Senate Select Committee on POW/MIA Affairs.

The operation, presumably intended to destabilize the Communist government of Laos, was financed in part by private donors who later formed the nucleus of Lieutenant Colonel Oliver North's secret Iran-contra fund-raising network, according to Senate investigators and documents obtained by the Los Angeles Times. Donors were told their contributions were for a White House-backed effort to search for servicemen listed as missing in Laos.

The funds were funneled through a POW-MIA group in California and a variety of overseas channels, including the Bank of Credit and Commerce International (BCCI) and financial institutions in Europe and the Middle East, according to banking records obtained by the Senate investigators.

Some details of the operation, which could have been a precursor to the White House-run covert Iran-contra scandal, were contained in a long-awaited report issued Wednesday by the committee. The report, following a yearlong investigation, concluded that there

was no proof that U.S. POWs were left behind in Southeast Asia at the end of the Vietnam War.

Evidence of the operation was clearly the most startling conclusion in the report, which details the investigation into the fates of the 2,226 servicemen still listed as missing from the Vietnam War.

The final report differed only marginally from an earlier version that concluded that there was "no compelling evidence" to prove that any of the missing were kept in captivity in Vietnam or Laos after the war ended.

## Britain to Seek Curbs on Media

But Government Rejects Proposal for a Special Tribunal

By Eugene Robinson  
*Washington Post Service*

LONDON — The British government announced Thursday that it would propose new privacy laws to restrain the press, but would not seek to establish a statutory tribunal to pass judgment on excesses and impose fines.

Peter Brooke, the secretary of state for national heritage, told the House of Commons that the government wanted new criminal and civil penalties to punish invasion of privacy.

Mr. Brooke said the government would seek laws making it a criminal offense to obtain personal information for publication through "physical intrusion and covert surveillance." This is almost certain to include physical trespassing, long-lens photography of people on private property and electronic eavesdropping.

He said the government also wanted to make infringement of privacy a civil offense, with aggrieved parties able to seek damages.

The proposals were spelled out in a report released Thursday and prepared by Sir David Calcutt, a lawyer and academic who reviewed the current system of press self-regulation and found it wanting.

The lively, combative British press recently has been at the center of a series of high-profile scandals, involving the personal lives of members of the royal family and other prominent British figures.

Newspaper editors have charged that the Calcutt study was an attempt by Britain's establishment to close ranks and punish the press for its excesses.

But Mr. Brooke said the proposed laws would be aimed at protecting ordinary citizens. He added that the government would favor provisions allowing reporters to use extraordinary means when there was a clear public interest.

A senior aide to Prime Minister John Major said this week that the government recognized that public figures should be exposed to greater scrutiny. But he said the government did not contemplate formally establishing a "public figure" category with different rules.

The current system of voluntary self-regulation through a panel called the Press Complaints Com-

mission "is not satisfactory," Mr. Brooke said.

"It is not truly independent and its procedures are deficient," he said of the commission.

But he said the government could not support the Calcutt report's recommendation of a statutory tribunal that could review complaints, impose fines and order the publication of apologies, corrections and replies.

Establishing such a body would be "a step of some constitutional significance," Mr. Brooke said, and would depart "from the traditional mutual approach to press regulation" in Britain.

Mr. Brooke did not spell out the government's stand on the issue of prior restraint. The Calcutt study suggested that the courts be empowered to block publication of material obtained through electronic or physical "intrusion."

The proposals appear to be aimed primarily at the tabloid press.

Mr. Brooke's predecessor, David Mellor, warned the press last year to halt what officials call "excesses," saying that it was "drinking in the Last Chance Saloon" before facing new laws.

Mr. Mellor was later forced to resign after the tabloids revealed his affair with an actress.

## Prurient U.K. Press Turns Prudish Over Telephone Transcript

By Eugene Robinson  
*Washington Post Service*

LONDON — Millions of newspaper readers from Manila to Amsterdam can revel in what appears to be Prince Charles's intimate conversation with a married woman, but most of the British press has censored itself by refusing to print the full transcript.

It was no coincidence that British newspapers were in an unusually cautious mood, because Thursday was the day of publication of a report proposing tough government curbs on the press to protect people's privacy.

In the conversation, parts of which were printed in British tabloids last year, the man tells the woman he would like to live inside her trousers and makes other indecous remarks. There are repeated mutual professions of love.

Many editors decided the time was not right to publish the tape in its sexually explicit entirety. Others were worried that the purported bedtime chat between the prince and Camilla Parker Bowles might not be genuine.

"I have read the transcript and will not be publishing it," said Martin Dunn, editor of the tabloid Today. "The climate is not right."

Another tabloid, The Sun, ingeniously justified its decision not to carry the transcript by saying it wanted to show the country what it would be like if the government brought in its "half-baked" law to gag the press.

Brian Hitchen of the Daily Star said he found the tape offensive. "I have no intention of printing this on our readers," he said.

One of two British newspapers to run the full text was the Daily Sport, a tabloid that specializes in pictures of bare-breasted women.

Irish papers are also printing the text, which first appeared in Australia's New Idea magazine. But while the Irish Independent, the Irish Times and the Irish Press are available in Britain, they have a combined circulation of only about 6,000 on this side of the water.

The Irish Times columnist Donal Conalty was ready to excuse the normally salacious British tabloids for their unaccustomed reticence in not publishing the full tape, highlighting the damage it had done to the embattled royal family.

"It is wholly conceivable that none of Britain's papers printed the transcript in full yesterday because none wanted to be remembered as the paper that delivered the most damning blow yet to the monarchy," Mr. Conalty said.

Abroad, newspapers were in no mood to spare the royal blushes, reproducing either the full text or the juiciest extracts under headlines speculating about whether the monarchy can survive.

The Rome daily L'Indipendente gave a full page to the transcript and referred to "Charles, the Pomo Prince," while Corriere della Sera said: "The British monarchy is slowly sinking in a sea of mud."

In France, Le Figaro was stumped that Prince Charles, who has hitherto enjoyed a reputation as a cultured man, should express himself so lewdly.

"It is difficult to imagine that this is the same man who talks to forget-me-nots, defends camembert and paints delicate watercolors in Tuscany," it said. "One of Genghis Khan's roughneck soldiers would express himself more elegantly."

**LANVIN SALES**  
**WOMEN'S SHOP**  
 22, Faubourg St-Honoré Paris 8<sup>e</sup>  
**MEN'S SHOPS**  
 15, Faubourg St-Honoré Paris 8<sup>e</sup>  
 2, rue Cambon Paris 1<sup>er</sup>  
 From 9<sup>th</sup> to 23<sup>rd</sup> January

**Spy Suspect Kills Self In South Korean Jail**  
*Reuters*  
 SEOUL — A South Korean accused of spying for North Korea hanged himself with his underwear in his prison cell on Thursday, the Seoul prosecutors' office said.

A spokesman said Kwon Du Young, 64, an adviser for a minority political party, was arrested in August when South Korea said it had cracked a North Korean spy ring. The motive for his suicide was still under investigation, the spokesman said. Mr. Kwon, charged with having visited North Korea twice in 1990 and 1992, was awaiting a court hearing.

**Hope on Sickle Cell Treatment**  
*A Fatty Acid Seems to Stimulate the Blood's Recovery*

By Warren E. Leary  
*New York Times Service*  
 WASHINGTON — Preliminary tests suggest that a potential treatment for sickle-cell anemia and related blood disorders could attack the underlying cause of the illnesses for the first time, according to researchers.

In a small group of patients, they said, treatment with a naturally occurring chemical stimulated production of a kind of hemoglobin in the blood that is known to benefit people with sickle-cell disease or beta thalassemia, which are related inherited anemias.

But they said that longer studies with more patients were needed to see whether the treatment produced the expected clinical benefit.

Hemoglobin is the protein in red blood cells that carries oxygen through the bloodstream. With sickle-cell and beta thalassemia, genetic defects result in the production of abnormal hemoglobin that can lead to dangerous and even lethal symptoms.

In a pilot study involving six pa-

**Hope on Sickle Cell Treatment**  
*A Fatty Acid Seems to Stimulate the Blood's Recovery*

tients, intravenous infusion of butyrate, a simple fatty acid found in the body and in certain foods, resulted in a rapid increase in fetal hemoglobin, a type common early in life, the scientists reported in Thursday's issue of *The New England Journal of Medicine*.

The chemical, which is also a food additive, stimulates a dormant gene responsible for producing fetal hemoglobin, causing a sharp increase in the ratio of fetal hemoglobin to the defective adult variety, said Susan Perrine of Children's Hospital Oakland Research Institute in California.

"This is an early trial and we don't want to raise the hopes of patients too soon," said Dr. Perrine, the study's leader, "but I think this has potential to become a definitive treatment of the underlying disease, as opposed to today's palliative treatment of symptoms to support the patient after complications arise."

Sickle-cell disease is an incurable condition characterized by an abnormal form of hemoglobin that causes red blood cells to stiffen, distort into odd shapes and clog blood vessels. These blockages not only lead to pain, but can also damage internal organs and cause other problems.

In the United States, the disease primarily affects blacks, but variations are seen in people of Mediterranean, Middle Eastern and East Indian descent. An estimated 60,000 to 80,000 U.S. blacks have sickle-cell disease. One in 12 blacks carry the genetic trait for the disease.

With beta thalassemia, which affects 5,000 to 10,000 Americans as well as millions elsewhere, the body's bone marrow produces large quantities of red blood cells that die almost immediately, leaving the patient extremely anemic.

Sickle-cell experts said the potential treatment, and another that also affects fetal hemoglobin that appears in a related paper in the journal, may mark the beginning of a new therapeutic era for these diseases. Until now, doctors have only been able to treat the life-threatening symptoms of the diseases.

**Fly JAL and earn a free ticket to Hawaii.**

Call your nearest JAL office for details of JAL Mileage Bank Europe.

صحة من الامل







# Clinton's Warning to Saddam

## 'I Am Going to Judge You by Your Behavior'

Following is an abbreviated version of an article by Thomas L. Friedman of The New York Times based on an interview with President-elect Clinton on Wednesday.

**LITTLE ROCK, Arkansas** — Bill Clinton will not rule out renewing the ground war against Iraq if necessary to force compliance with UN resolutions, but he indicates that he is ready for a fresh start with President Saddam Hussein.

The president-elect, in an interview with The New York Times, said that he was not "obsessed" with Mr. Saddam and that he could imagine a normal relationship with the Iraqi leader, provided he behaved in accordance with international norms.

Mr. Clinton said he wanted to use the interview to send the Iraqi leader a signal, which he summarized this way: "I am going to judge you by your behavior. I am not going to sit around trying to figure out what is motivating you."

With neither bluster nor apparent anxiety, he repeatedly warned Mr. Saddam not to test him or underestimate him. But he seemed equally comfortable signaling the Iraqi leader that he could have a new relationship with his administration, if he complied with the United Nations.

While Mr. Clinton has supported President George Bush's policy toward Iraq since the election, his statements in the interview were a departure from Mr. Bush's position that Mr. Saddam must go before Iraqi relations with the United States can improve.

The president-elect also said he supported the peace talks now taking place in Geneva between the warring factions in Bosnia-Herzegovina. But he said that if they did not lead to an end to the "ethnic cleansing" — which he repeatedly emphasized in powerful terms must stop — then he would be prepared

to be more assertive than the Bush administration, including possibly pressing for war-crimes trials for Serbian leaders or military actions. And on Somalia he said that while he never believed the Bush administration's initial claim that U.S. forces would be out by Jan. 20,

**'I always tell everybody I am a Baptist. I believe in death-bed conversions.'**

Bill Clinton

he remained committed to the operation even if it required a continued military presence.

Sitting in the living room of the governor's mansion, where the hallways were packed with moving boxes, Mr. Clinton said that if the Iraqi leader were on the couch next to him this is what he would want to say to him:

"If you want a different relationship with me, you can begin by observing the UN requirements, and change your behavior. I am not obsessed with the man. But I am obsessed with the standards of conduct embodied in those UN accords, and if he were sitting on the couch, I would urge him to change his behavior."

"You know if he spent half, maybe even a third, of the time worrying about the welfare of his people that he spends worrying about where he positions his SAM missiles and whether he can push the boundaries of the cease-fire agreement, I think he would be a stronger leader and in a lot better shape over the long run."

Mr. Clinton made it clear that he did not view Mr. Saddam as the ideal ruler of Iraq, but that he also did not see him as an irredeemable

foe of the United States, who had to be destroyed no matter what. "Certainly based on the evidence we have, the people of Iraq would be better off if they had a different ruler," he said. "But my job is not to pick their rulers for them. I always tell everybody I am a Baptist. I believe in death-bed conversions. If he wants a different relationship with the United States and the United Nations, all he has to do is change his behavior."

Mr. Clinton stressed that he would not "rule out or rule in" any type of relationship between himself and the Iraqi leader, because "the issue here is not personalities, except insofar as that impacts on behavior."

While he was clearly signaling the Iraqi leader that he was ready for a fresh start, he stressed with equal vigor that he would not rule out any type of military action in the future, including re-engaging U.S. ground troops against Iraq.

He said that Mr. Saddam would be making a big mistake if he viewed the new president as a foreign policy naïf who could be taken advantage of, because for Mr. Clinton the issue is not experience but his place in history.

What is at stake in the Gulf, he said, is not simply the U.S.-Iraqi relationship but something larger: the credibility of the United Nations in the post-Cold War world.

On Somalia, Mr. Clinton said he was equally comfortable with the Bush administration's decision to intervene there.

"The real difficulty in Somalia," he said, "was that I never believed that the administration's optimistic hope that they could bring our combat force out by Jan. 20 could be achieved."

On the question of the war in the former Yugoslavia, Mr. Clinton said that he supported the peace talks organized by the special envoys Cyrus R. Vance and Lord Owen, even though some of his advisers have said privately in recent days that the conference was a sham that only confirmed Serbia's takeover of certain areas of Bosnia-Herzegovina.

"I am somewhat hopeful about the peace conference even though I know some of it could just be maneuvering," he said. "Even if it is just maneuvering, there is something going on there, and there is a chance, just a chance that it will take on a life of its own and bring some resolution."

If the talks collapse, he said, "there are some other things we can do if this process breaks down." He added: "There may be some things we can do militarily, short of the introduction of a large ground force, that would change the dynamics. I don't want to rule any of those things out."



**DERAILMENT IN FRANCE** — A train carrying petrochemicals derailed early Thursday in La Voufte, France, destroying some 10 dwellings and causing at least six injuries. Hundreds were evacuated. Fire fighters said the risk of pollution to the nearby Rhone river remained a danger.

# MOSCOW: A Leap to Privatize

(Continued from page 1)

market changes, officials are pushing at breakneck speed in order to lock it in place, other officials said. "If this first wave is successful, you're at the point of irreversibility," Mr. Doran said.

He noted that free-market policies in all formerly Communist countries rest on two pillars: financial stabilization and privatization of state-owned assets. With inflation careening out of control, the value of the ruble falling and the budget deficit widening, Russia cannot be said to have succeeded in stabilization.

As a result, its best hopes right now rest on bringing socialism to a rapid end — selling off state assets, that is, and thereby spurring both worker-ownership and new entrepreneurship, officials here said. Liberals in President Boris N. Yeltsin's government hope thus to rapidly create a constituency for capitalism.

"As a first step, you need managers who are answerable to shareholders, who are watching the bottom line," Mr. Burke said. "Then you can work on building these enterprises up."

The first list of 20 companies to be auctioned off in Volgograd, formerly Stalingrad, was released Thursday. Among them are one of Russia's largest tractor plants, with 27,000 workers; a beer factory with 187 employees, and a construction company with 855.

Under the system adopted by the Russian government, workers and managers have been permitted to acquire large chunks of stock in their plants at nominal cost.

The government will auction off some or all remaining shares, not for rubles, but for the privatization vouchers that have been distributed free, one to every Russian man, woman and child. A secondary trade in vouchers already has developed.

In theory, Russians anywhere in the country are free to bid for shares in, say, the Serebrykovskii Cement Plant Co. in Volgograd. Mr. Vasilyev said the government will set up "voucher auction centers" across the country. Foreign investment also may be sought by many companies.

But the centers, along with many details and provisions of privatization law, have yet to be put in place.

Mr. Vasilyev said that other cities likely to lead the way in large-scale privatization include Moscow, St. Petersburg, Nizhny Novgorod and Tomsk. He said the 500 companies represented about one-tenth of the total stock of enterprises likely to be eligible for privatization under Russian law.

### Rolling Back Controls

The Russian government will roll back a set of price controls that had been criticized as backsliding on moves to a free market. The Associated Press reported from

Moscow, quoting Russian news agencies.

The measures, which limited profits on basic products ranging from bread to steel, were a mistake, the Itar-Tass and Interfax news agencies quoted the first deputy prime minister, Vladimir F. Shumeiko, as saying.

Mr. Shumeiko said that trying to control prices by limiting profits "will not work" in Russia. What the nation really needs, he said, are regulations to prevent practices such as price-fixing.

His comments echoed those of the government's top economic strategist, Boris Fyodorov, the deputy prime minister.

On Wednesday, Mr. Fyodorov also criticized Prime Minister Viktor S. Chernomyrdin's decision to impose price controls and said they would not work.

The debate reflected the deep divide between the prime minister, a Soviet-era industrialist, and the young liberals in his Cabinet.

According to Itar-Tass, Mr. Shumeiko said support for "critical" industries would be offered on "very tough" credit terms. Only industries that could prosper — and someday repay loans — would be eligible, he said. A commission headed by Mr. Fyodorov would decide which industries would get bailouts, the report said.

Mr. Chernomyrdin had defended his price control decree, which took effect Jan. 1, as an attempt to bring order to Russia's chaotic, post-Communist economy and cushion consumers from spiraling prices during the transition to a free market.

# IRAQ: Allied Planes

(Continued from page 1)

against the oppressors." Defense Secretary Dick Cheney brushed off the defiant response as "not in touch with reality." He said chains of civilian casualties were "the same kind of gibberish we heard from Saddam Hussein" during the Gulf War in 1991.

"This is a man given to flights of rhetoric that I take as indications that he's not mentally stable," Mr. Cheney said.

State-run Iraqi news media said that in addition to the 19 dead, 15 people were wounded in the raid. Official Baghdad newspapers pledged to fight "until victory."

Deputy Prime Minister Tariq Aziz said Iraq had offered to "suspend the process of retrieving its property until an understanding is reached between Iraq and UN observers."

"Iraq also had decided to allow UN chartered aircraft to enter Iraq on their own responsibility and on a case-by-case basis," he said.

**'93**  
INTERNATIONAL CONTEMPORARY ART FAIR  
12/17 FEBRUARY  
VENUE: FEBRUARY 11<sup>th</sup>, 20:00 H.  
CRYSTAL PAVILION  
CASA DE CAMPO, MADRID  
INFORMA  
PHONE: 34-(91)-7251100 FAX: 34-(91)-7252001  
WEB: WWW.IHT.COM

# Airlines Are Unaffected

International Herald Tribune

In comparison with the Gulf War two years ago, the latest crisis in Iraq had little impact on civil aviation because airlines no longer fly over Iraq, industry officials said Thursday.

In 1991, airlines had to reroute flights around the Horn of Africa or across the southern part of the former Soviet Union to avoid the Gulf area on flights between Western Europe and Asia.

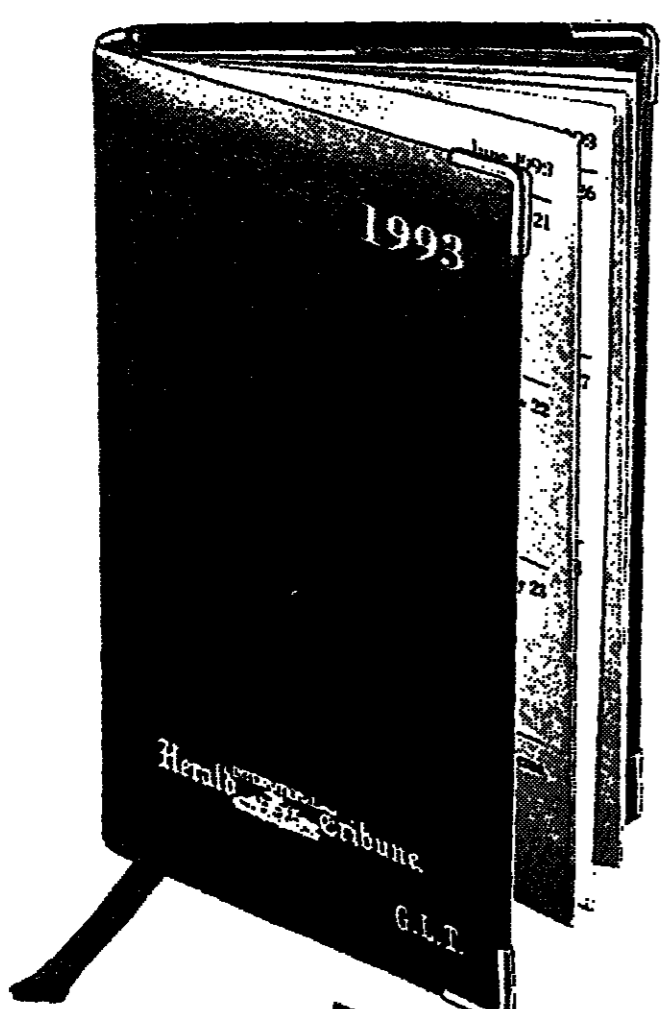
# Lesotho Sets Vote for March

Agence France-Press

**JOHANNESBURG** — Lesotho will hold general elections March 27, according to a national radio broadcast monitored here Thursday. The election will mark the return of the state of 1.8 million, which is surrounded by South Africa, to civilian rule. It has been ruled by a military council since a coup d'etat in January 1986.

To subscribe in Germany just call, toll free, 0130 84 85 85

# Thin, Elegant And Portable: The IHT Personalized Pocket Diary Fits In The Palm Of Your Hand.



Year after year — even at a period when diaries abound — the International Herald Tribune flat, silk-grain leather diary is the hit of the season. Ingeniously designed to be thinner-than-thin, it still brings you everything... including a built-in note pad with always-available "jotting paper". Plus there are conversion tables of weights, measures and distances, a list of national holidays by country, a wine vintage chart, and many other useful facts. All in this incredibly flat little book that slips easily into a pocket. The perfect gift for almost anyone... including yourself. — Please allow three weeks for delivery.

# Herald Tribune

Karen Diot, Special Projects Division, 181 Ave. Ch.-de-Gaulle, 92521 Neuilly Cedex, France, or fax to: (33-1) 46 37 06 51

Payment is by credit card only. All major cards accepted. (Please note that French residents may pay by check in French francs. We regret that checks in other currencies cannot be accepted.) Please send me \_\_\_\_\_ 1993 IHT Pocket Diaries. Price includes initials, packing and postage in Europe.

1 - 4 diaries 180 F.F. (U.S.\$33) each  
5 - 9 diaries 170 F.F. (U.S.\$31) each  
10-19 diaries 145 F.F. (U.S.\$26) each

Additional postage outside Europe 35 F.F. (U.S.\$6.50)  
Check here for delivery outside Europe by registered or certified mail: 85 F.F. (U.S.\$16)

Please charge to my credit card:  
 Access  Visa  Amex  Eurocard  Diners  MasterCard

Card No. \_\_\_\_\_  
Exp. date \_\_\_\_\_  
Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
City and Code \_\_\_\_\_  
Country \_\_\_\_\_

- Rich black leather.
- Gift metal corners.
- Measures 8 x 13 cm (3 1/4 x 5 in.).
- Quantity discounts are available.
- Plenty of space for appointments.
- Week-at-a-glance format.
- Personalized with gold initials (up to 3 at no extra cost).
- Includes a removable address book. No need to re-write your most important phone numbers — the address book will fit right into next year's diary.
- Notepaper sheets fit on the back of the diary — a simple pull removes top sheet. Refill sheets included.

# AN IHT GIFT SUBSCRIPTION MEANS A FREE HOLIDAY GIFT — PLUS FREE WEEKS ADDED TO YOUR OWN SUBSCRIPTION



46% off the newsstand price!  
A subscription to the IHT is an ideal year-long gift for a friend or business acquaintance — especially at our special gift rate of up to 46% off the newsstand price. Give the IHT as a gift. For each six- or twelve-month subscription that you give as a gift, we will send you the Oxford Arts Encyclopedia illustrated above. And, or course, we'll send a handsome card, signed as you specify, to the recipient, announcing your gift. In addition, we will extend your subscription by one week for each month's gift subscription you enter. For example, if you order two one-year gift subscriptions, your own subscription will automatically be extended by 24 weeks. Subscribe for yourself. If you're subscribing for yourself for the first time, and you choose a six- or twelve-month subscription, you will receive the Oxford Arts Encyclopedia free. Just complete the coupon below and send (or fax) us copies for each order. And leave the rest to us.

Please indicate which gift subscription term you prefer and fill in the recipient's name and complete address.

12 months (+ 52 free issues, 364 issues in all)  6 months (+ 26 free issues, 182 issues in all)

Please check here if you prefer to send the free Oxford Encyclopedia to the recipient.

Recipient's Name \_\_\_\_\_  
Address \_\_\_\_\_  
City/Code/Country \_\_\_\_\_  
My name as it should appear on the gift card \_\_\_\_\_  
Address \_\_\_\_\_  
City/Code/Country \_\_\_\_\_  
My subscription account number \_\_\_\_\_  
 My check or money order is enclosed (payable to the International Herald Tribune)  
 Please charge my credit card:  
 Access  American Express  Eurocard  Diners  MasterCard  Visa

Card No. \_\_\_\_\_  
Exp. Date \_\_\_\_\_ Signature \_\_\_\_\_

Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Fax: 33.1.46 37 06 51 - Tel.: 33.1.46 37 93 61

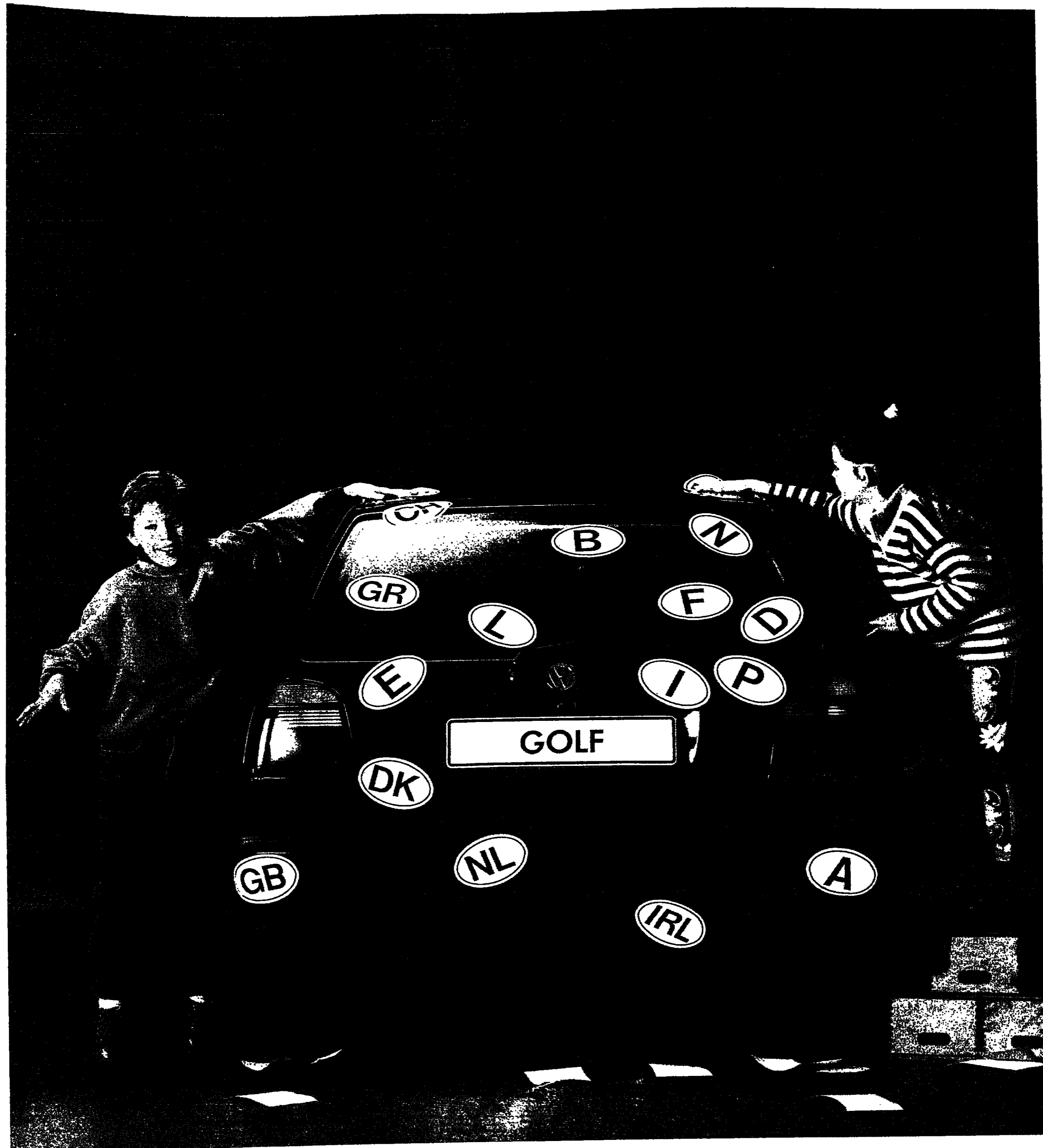
**Herald Tribune**  
Special gift rates for new subscribers only. Offer valid through January 31, 1993.

صديقا من الامم

**Leap to Privatization**  
 Moscow, quoting Russian agencies. The measures, which include cuts in basic products and a four-tax and interest rate hike, as saying. Mr. Shumeiko said that prices will not work in Russia's economy, which needs such as price fixing. His comments echoed those of the government's chief economist, Boris Fyodorov, who is prime minister. On Wednesday, Mr. Fyodorov criticized Prime Minister S. Chernomyrdin's decision to lift price controls and allow a free market.

**RAQ: Allied Planes**  
 (Continued from page 1) about the "operation" being carried out by the "Iraqi" forces. The "Iraqi" forces are said to be "operating" in the "Iraqi" territory. The "Iraqi" forces are said to be "operating" in the "Iraqi" territory. The "Iraqi" forces are said to be "operating" in the "Iraqi" territory.

**S WEEKS IN**  
 Call us toll free  
 DENMARK  
 SWITZERLAND



# Danke schön, Europa.

Every car maker strives to make good cars. At Volkswagen our business is to make better and safer cars. And it is the customer who decides what is best. So we are proud that, once again, our customers chose to make

us Number One in Europe in 1992. Just as you did in 1985 and every year since.

We would like to say thank you for making this possible; and the same goes for our dealers and all the employees of Volkswagen.

We will continue to go on making still better cars.

Which is why we promise to do everything we can do to remain what we are. The makers of fine cars. And your first choice.



bunc.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Saddam Is Thus Punished

A Just, Clean Strike

If ever a rogue regime courted punishment, it is the one led by Saddam Hussein. He has flouted UN cease-fire terms, ignored Security Council ultimatums and played cheat-and-retreat with his coalition adversaries. The carefully targeted air strike Wednesday by 100-odd allied warplanes seems the right penalty: proportional to the offense, and executed with minimal risk to civilians.

President George Bush was right to strike, by all accounts cleanly, at surface-to-air missile sites and related communications facilities that menaced coalition aircraft in southern Iraq's no-flight zone. And he was justified in ordering a U.S. battalion to Kuwait. Its 800 troops are a warning that America will stiffen defenses against further border incursions by Iraqis to grab missiles left behind after Operation Desert Storm.

A Unified Response

The attack that American, British and French airplanes conducted against missile and radar sites in southern Iraq does not put an end to Saddam Hussein or keep him from stirring up further trouble. But along with the cautionary posting of an American battalion in Kuwait, the strikes meet the international responsibility to confront his cheating on the relevant United Nations resolutions. These responses preserve unity on that essential requirement among the members of the Gulf War coalition and between the outgoing and incoming administrations in Washington as well.

Make the Nod to Hanoi

The thorough Senate committee report released Wednesday on the fate of Americans missing since the Vietnam War should dispel suspicions of a U.S. government conspiracy or cover-up. Should, but probably won't. Word that Henry Kissinger's lawyer was given a last-minute opportunity to propose cosmetic changes in language criticizing the former secretary of state will damage the report's credibility, even though telling substantive criticisms of Nixon-era officials seem to have survived largely intact.

Other Comment

Two years ago, the United States began Desert Storm and struck a blow against Iraq. It was logical to assume that peace would follow. Why, then, is history being repeated? Because of the diplomatic errors of a superpower blinded by its own might. Published accounts clearly indicate that the United States was playing a double game. While criticizing the Baghdad regime, at the same time it was arming Iraq as a counterbalance to Iran.

Iraq: Clinton Can Expect Even More Fiendish Choices

By Leslie H. Gelb

NEW YORK — Good. The United States and friends finally rebuked Saddam Hussein in language he seems to comprehend. But Bill Clinton should not expect that the joint air attack — a rather modest one — will end the Iraqi bad man's insults and evasions of United Nations resolutions. Nor will these rare rebukes dissuade Saddam from continuing his cat and mouse games, thus diddling and distracting the new president as he has the outgoing one.

concessions deeper than anything he ever offered to Mr. Bush if the United States accepts his authority over all Iraq. Mr. Clinton could resist the bait, but that would anger allies now searching to escape the present box. Or he could bite and negotiate, which would restore Saddam's legitimacy. Maybe these scenarios give Saddam too much credit. Perhaps he is just a megalomaniacal jerk whose only purpose in violating UN restrictions in recent weeks has been to irritate his departing nemesis, George Bush — even at the risk of a U.S. retaliatory blow.

Bill Clinton's mettle and chip away at UN authority in Iraq. This makes little sense; if he wanted to test Mr. Clinton, why did he provoke George Bush? And as Saddam surely knew, Mr. Bush had to respond with force. Saddam must appreciate that the Bush action established a benchmark that Mr. Clinton must equal, or watch his presidency dwindle.

struction, and to earmark most Iraqi oil proceeds for war reparations and pledge greater autonomy for Kurds and Shiites. In return, he could ask "only" for UN recognition of Baghdad's authority over all Iraq. The Clinton team has already gotten such feelers. Saddam may reckon even now that such war or peace games could prove good gambles. Western will to fight a second major war against Iraq is eroding. Not only Bill Clinton, but every other Western leader wants to concentrate on domestic problems. The resistance of Western and Arab leaders to a "peace" with Iraq is also waning. Increasingly, they see Iran as the greater future threat and are more willing to contemplate Iraq's reconstruction as a buffer to Iran.

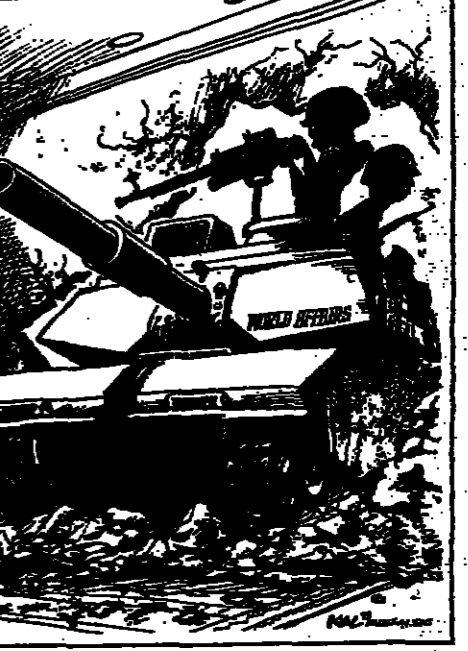
UN Indecision Exact a Heavy Cost

By Jeane Kirkpatrick

NEW YORK — It is said that the League of Nations failed because the United States did not join and that the United Nations never disintegrated because it was paralyzed by the divisions and Security Council vetoes of the Cold War. Once the Cold War ended, it was widely expected that — at last! — the United Nations would fulfill its global role. But now, after having assumed responsibilities all over the world, UN operations are developing many problems that flow from the very nature of the organization.

News that four frozen of a home for the aged had frozen to death in a single night a block away from UN headquarters in Sarajevo did not help the UN's reputation. Nor was Cynus Vance's reputation as an evenhanded, humane mediator helped by word of his personal efforts to prevent U.S. officials from meeting with the Bosnian president, Alija Izetbegovic, in Washington last weekend. But the most appalling UN failure in Bosnia last week came when Bosnia's deputy prime minister, Hakija Turajlic, was murdered while under UN protection. Riding with French troops in an armored personnel carrier, he had as many of his fellow Bosnians have died — an unarmed civilian target of Serbian fire, murdered in full view of UN peacekeepers who watched the bloody events without even threatening to use force.

the Bosnian Serb parliament — something that would require several days to determine. Many Bosnians, Croats, Africans and Cambodians have begun to see the UN as part of their problem, rather than as its solution. When Saddam Hussein violated the no-flight zone, activated anti-aircraft missiles, attacked an American fighter jet, blocked the delivery of humanitarian aid, prevented a UN inspection team from completing destruction of poison gas and nuclear weapons, sent troops into Kuwait, and otherwise violated armistice agreements, the UN Security Council equivocated. Baghdad proposed "a constructive dialogue" to "resolve outstanding differences" and the Japanese president of the Security Council expressed his desire to avoid recourse to force. Only outside the Security Council did the United States and a few of its principle allies decide that it was time for action.



general who dragged their feet. The result was a retreat. France agreed that action should be in the framework of the United Nations. As in confronting Somalia's famine, urgency evaporated, but misery continues. The Security Council is like a committee and the UN secretary is like any other bureaucracy — only more so. Action is by consensus. Consensus is hard to build. Responsibility for UN action and inaction is so widely shared, so depersonalized that many ordinary moral and social disciplines disappear. Where everyone is responsible, no one is responsible. Why did the UN troops down the block from the freezing octagonari-

In Shanghai's Busy Shipyards, a Warning About Chinese Might

By David Shambaugh

SHANGHAI — China's military buildup, a source of growing concern in the region, is clearly evident here. This city is the home of the Chinese shipbuilding industry and a major port for the navy's eastern fleet. Shanghai's shipyards, long dependent on producing merchant ships, are now deluged with orders from the navy for frigates, submarines, destroyers and coastal patrol craft. Reports suggest that a large drydock is being built for the construction of an aircraft carrier.

At the 14th congress, the two Yangs were divested of all formal portfolios in the high command. This move was followed by a sweeping purge of their cronies in general staff and general political departments. The purge apparently relates to an attempted power struggle between the Yangs and other powerful personal patronage networks as official positions. But it does suggest a basic shift in the military's orientation away from politics toward a more dedicated national security mission. The Yangs' replacement by Admiral Liu and other professional officers is intended to signal this shift to the rank and file.

going that China has vital maritime interests in the area. The straits — which link the Pacific and Indian oceans and pass between Indonesia, Malaysia and Singapore — are one of the busiest seaways in the world. Beijing's widening strategic interests may underlie reported Chinese construction of a naval base in Burma territory along the Andaman Sea, within striking distance of the western entrance to the straits. The threat once posed to China by the Soviet Union has largely disappeared. Instead, with Admiral Liu's active support, Russia is retreating military factories built in China in the 1950s. The armed forces are procuring advanced weaponry to support the forward-projection doctrine. This hardware includes long-range refueling capacity for bombers and troop transports, MiG-31 high altitude interceptors, Su-27 attack fighters, radars, and precision guided missiles. Much of this equipment will come from Russia and Ukraine.

and by some in the United States. Chinese sources maintain that the country harbors no designs on, and poses no threat to, the territory of other nations. This is probably true. But the new doctrine of forward projection and the hardware being acquired suggest a less benign China. Military progress can be used in coercive diplomacy. For many Asians, China is a growing threat. The Chinese buildup must be closely monitored by Asian states, the United States and other concerned countries. Western weapons sales and defense technology transfers to the Chinese armed forces are destabilizing to a very fluid region and send the wrong signal to Beijing. Nonetheless, it is prudent to engage the Chinese military in dialogue to discuss regional and international security trends, and to impress upon the top commanders the increasing foreign concern about the country's defense modernization program. Ideally, such dialogue should be supplemented by a multilateral format encompassing all East Asian nations, including Taiwan, plus the United States and Russia. Confidence-building measures are also needed. As the regional arms race accelerates, such moves become more pressing. In an uncertain environment, a continued U.S. military presence in Northeast Asia remains crucial to maintenance of peace and a balance of power in the region. With the removal of Russia as a significant factor in Asian security, a precipitous withdrawal of U.S. forces or a pullback from East Asia would trigger a dangerous vacuum. China would be tempted — and well-placed — to fill it.

The Hardest Part Is Giving Up the Gun

By Flora Lewis

SAN SALVADOR — The thin, pale young man, his light blue eyes glinting behind steel-rimmed glasses, wore a dark suit, a finely striped shirt and a flowered tie. Fingering the tie, he said the decision to wear it "and long trousers" symbolized the transformation, "a mark of respect for the society." More important, he said, had been the decision to give up his gun. "It was a heroic act, heroic," he said, "like a woman going out on the street naked."

He is Antonio Navarro Wolff, leader of the group that stormed into the Supreme Court in Bogota in 1985, killing 11 justices, and that is responsible for many other acts of violence. He was addressing a deorous audience in this city of hundreds of people, many Salvadorans, including high officials and uniformed military leaders, and visitors from 18 countries. Earlier, Josquin Villalobos, a slight, elegant 41-year-old who led guerrillas of the Parabundo Marri National Liberation Front in the murderous 12-year Salvadoran civil war, told the same audience: "We've had excesses of power. Now we need excesses of tolerance."

battle: 80,000 killed, many maimed, a million people driven into exile. All this in a population of only 5 million. Many more have been killed in less than a year in a Bosnian population half the size, but the Bosnians are not ready to think of reconciliation as the problem, victory as the suicidal illusion. There was not much talk of how that point can be reached. It seemed so obvious to the people who have gotten there. Mr. Navarro Wolff noted with surprise that joining the political process had been the easiest part for Colombian guerrillas. He ran for president and has a chance of being elected next time. Joining the productive economy is much harder. "We know about life and death, not about making a living," he said. "The motive that drove people to the guerrillas was the desire for change. They still want to help the society change, but to develop a culture of peace in place of the old culture of violence."

The writer is senior lecturer in Chinese politics at the School of Oriental and African Studies, University of London, and editor of The China Quarterly. He contributed this column to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Riots in Serbia

VIENNA — A despatch received today [Jan. 14] from Serbia states that events in that country are daily assuming a more threatening character, and that rioting has occurred at Kraljevo, while at Jagodina and Kragjevac disturbances are apprehended on the occasion of the assumption of office by the new Communist Administration. The despatch adds that the Army has hitherto been loyal to the Government, but that it is a question whether 12,000 men scattered over the whole country are sufficient to cope with any serious outbreak.

1943: Red Army Gains

MOSCOW — [From our New York edition:] The Red Army, rolling northward through the Caucasus, has advanced more than 125 miles, reaching Sotnikovskoye, near the Kalmuck steppes, and Cossack cavalry and Red tank forces are pursuing the still retreating Nazis, it was announced today [Jan. 15]. Occupation of Sotnikovskoye marked a 26-mile advance to the north yesterday. It brought the Caucasus army within 45 miles of the Kalmuck region, where other Red Army forces are pushing south from Stalingrad.

1918: Traitor Arrested

PARIS — M. Joseph Caillaux, ex-Prime Minister of France, Deputy for Marnes, was arrested yesterday morning [Jan. 14] at his home in Paris. Serious charges of treason against M. Caillaux were outlined recently by General Dubail, Military Governor of Paris. The gravest charge brought

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen LEE W. HUEBNER, Publisher JOHN VINOCUR, Executive Editor... WALTER WELLS, News Editor... SAMUEL ABE, KATHERINE KNORR and CHARLES MITCHELL, Deputy Editors... CARL GEWIRTZ, Associate Editor... ROBERT J. DONAHUE, Editor of the Editorial Pages... REGINALD DALE, Economic and Financial Editor... RENE BONDY, Deputy Publisher... RICHARD H. MORGAN, Associate Publisher... JUANITA I. CASPARI, International Advertising Director... ROBERT FARRE, Circulation Director, Europe... International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Circulation, 612832; Production, 630698. Directeur de la Publication: Richard D. Simmons. Circulation: 1933 to 1982 - John Hay Whitney.

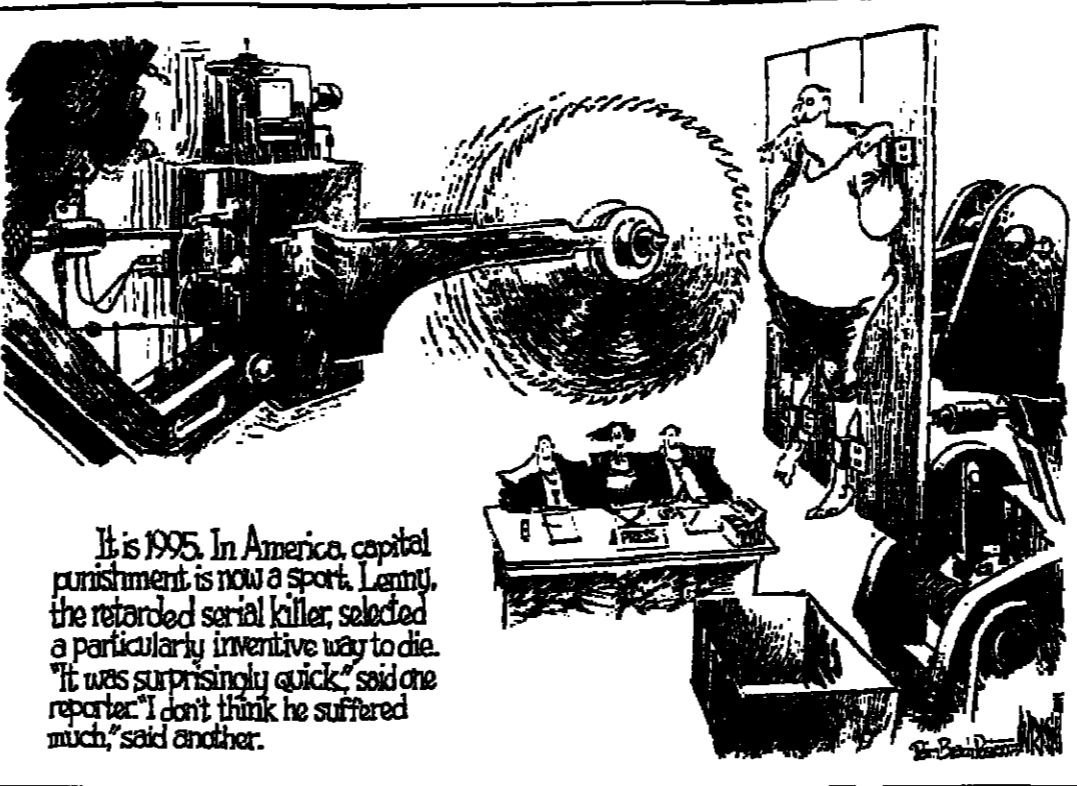


OPINION

A Cough Heard Worldwide: Is 'Throatgate' Upon Us?

By William Safire

WASHINGTON—How private is a president's health? Even a politician has a privacy zone, and I am rarely an absolutist on anything, but to the question posed above, my answer is: The president's health is the public's business.



It is 1995. In America, capital punishment is now a sport. Lemmy, the retarded serial killer, selected a particularly inventive way to die. "It was surprisingly quick," said one reporter. "I don't think he suffered much," said another.

Her Poem Will Surely See 'Beyond What Is Seemingly'

By Colman McCarthy

WASHINGTON—Grouse or cheer all you want about Bill Clinton's cabinet choices. Of his taste in poets, his selection of Maya Angelou to read at the swearing-in ceremony on Wednesday has the ring of just-rightness.

MEANWHILE

Ms. Angelou by age 35 had worked as a dancer, cocktail waitress, streetcar conductor (the first black female fare collector in San Francisco), Creole cook, nightclub singer, civil rights organizer, editor of the Arab Observer in Cairo and the African Review in Accra, Ghana.

LETTERS TO THE EDITOR

'Dangerous' Germans? Yesterday Does Not Apply

Regarding "Germany: The Descendants Are Plain Dangerous" (Opinion, Jan. 8) by Michael Peterson: Mr. Peterson considers leaving Germany after three incidents led him to conclude that little Adolf and his adult sympathizers have become dangerous.

Americans considering this phenomenon would do well to remember the following:

The probability of becoming a victim of violent crime continues to be more than eight times higher in the United States than in Germany. A black person who has an encounter with the police in Germany is likely to be treated with a great deal more respect than in many places in the United States.

To Russia With Questions

Jeffrey Sachs, in "America Is Scarcely Helping" (Opinion, Dec. 23), states that Russia received "only about \$10 billion in 1992." Only? I am astounded at the amount of money that seems to be flowing into Russia.

Just the (Cheese) Facts

In your Jan. 4 issue, under the heading "Camembert: Odorous Emblem of France," it is reported: "In 1986 the French ate 90,000 tons of Camembert, or two million individual cheeses."

h Choices... and to earmark most Iraq oil proceeds for the reconstruction of Iraq...



ese Might... The new... and suggest...

END-OF-SEASON SALE. SAVE \$50.

THE OFFICIAL MILITARY ISSUE GENUINE LEATHER A-2 FLYING JACKET

ACT NOW! A piece of American History is ON SALE! From World War II to Desert Storm, the A-2 Leather Flying Jacket is one of the most famous pieces of battle gear in history.



SALE! Only \$199\*

Form with fields for Name, Address, City/State/Zip, and Signature. Includes call toll-free number 1-800-331-1858.

Catch the money

Germany's old established Government guaranteed State Lottery, the Nordwestdeutsche Klassenlotterie is offering a great Opportunity. The next Lottery will start March 26th, and will last for 6 months.

Form for ordering tickets, including fields for number of tickets, name, address, and payment method.

# A Temple of Sex (Art) in Hamburg

By Douglas Sutton



**H**AMBURG — Henry Miller would have loved it: A "temple of sex," as artist Tomi Ungerer calls it, in Hamburg's raunchiest neighborhood, its red-light St. Pauli district.

In fact, Miller is here with a watercolor painting, taking his place in a distinguished crowd of artists — Delacroix, Grosz, Daumier, Dix, Kaulbach, Barant van Orley, to name only a few — all with one thing on their mind: sex.

Welcome to the Museum of Erotic Art, located on a back street of St. Pauli overlooking the Elbe River and a slow stroll from the famous Reeperbahn.

The private museum features more than 500 works of art spanning six centuries in an orgy of sex and eroticism, a celebration of genitalia-filled fun, fantasies and fetishes let loose on canvas. Since its opening in late November, it has quickly gained nationwide media attention.

For the rest of Hamburg, this is the rub. The city is trying hard to shed its image of being second-rate, when it comes to the visual arts, compared to other German cities. New projects are under way, a new cultural affairs minister, Christina Weiss, herself an art historian, has managed to get the city to spend more on the arts, and work has started on a new multimillion-dollar modern art museum.

The cultural community celebrated when Germany's leading arts magazine, art, finally did a portrait of Hamburg. But once again, amid its high cultural ambitions, Hamburg finds itself outaged by its red-light district.

Claus Becker, 43, the man who created the Erotic Art Museum with his own cash — "something over \$2 million," he says — doesn't care.

"Without St. Pauli, Hamburg would be a provincial town," Becker said, using the description that Hamburg's residents hate to hear about their city.

"This is the district where life is the most colorful — where you have the small shopkeeper, a lady in her 80s, getting along with the young prostitutes, where yuppies come to live next door to '60s generation hippies."

Becker, who came to Hamburg in 1968 from Flensburg, is not an uncontroversial figure, having evidently made comfortable amounts of money in real estate and various other ventures in St. Pauli. "I've got my

rough edges," he conceded. "You have to if you want to make your mark."

Not exactly your typical museum director, Becker sports a three-day beard and ponytail, and drives a Mercedes sports car; down in the harbor he has a 16-meter (53-foot) yacht, the Grosse Freiheit. That's the name of a street of nightclubs, bars and bordellos where the Beatles were putting their act together in the early 1960s.

"I wanted to make a contribution to St. Pauli, and at first was thinking about a museum of local history," Becker said. "But then I got access to this large collection of erotic art which belongs to a prominent Hamburg patron, and the idea of a museum devoted solely to eroticism evolved."

Becker bought a complex of 19th-century warehouses, converting the main four-story building for the museum. Work is still proceeding on the others to form what he envisions will eventually be a "center for erotic studies," complete with halls for special exhibitions, an auditorium and a café.

"Sex in St. Pauli means commerce," Becker said. "I wanted to put sex and eroticism in an artistic light."

The museum's works are just as sexually explicit as anything to be found in the glossy magazine shops on the Reeperbahn. The difference is that this stuff is art — and damn the art-vs.-pornography debate.

Besides the prurient thrills that the art works provide, the museum itself has won accolades. Amid the bare wooden floors, the exposed beams and red brick walls illuminated by dim spot lighting, visitors can play at being voyeurs.

Extremely explicit Japanese woodcut prints from the 18th century are found in pullout drawers suggestive of the naughty private treasure they once were, while many paintings are hidden behind hinged metal covers to be opened one at a time for personal viewing.

**A**LTOGETHER, Becker has collected about 2,000 erotic works and some of Hamburg's most prestigious galleries are helping him to acquire more.

"Finding good erotic art out on the market is difficult," he said. "You might go to an auction and only one or two are good, while the rest is really bad."

Coming up is a special exhibition by Ungerer, a photographic study of human posteriors, and Becker says that Paul Wunderlich has shown interest in an exhibition.

"This is a place for free spirits," Becker said of his museum. "St. Pauli is a place for free spirits, and deserves to be Hamburg's best-known district. Last fall I sailed over to New York for the Columbus Day regatta and got to meet Mayor Dinkins. When I told him I was from Hamburg, he said, 'I've been to the Reeperbahn.'"

The museum is at Bernhard-Nocht-Strasse 69. Open daily 10 A. M. to midnight. Admission 15 Deutsche marks (about \$9). Minimum age: 18.

Douglas Sutton is a journalist based in Hamburg.



Michael Reynolds and his headquarters (inset), topped by a wind turbine.

## Post-Hippie Chic: Try House Made of Tires

By Patricia Leigh Brown  
New York Times Service

**T**AOS, New Mexico — About 15 miles west of Taos, a road with no name tapers off into the flat tableland beneath the Tres Orejas, three small volcanic peaks. Soon the road disappears under a thick carpet of snow and a set of coyote tracks pitching toward infinity.

But if you can envision an Alternative Republic here, you don't need a road. Thus, a frigid winter morning recently found Michael Reynolds barreling through the snowdrifts, his Dodge pickup swerving every which way, destined for an unsightly pile of tires and dirt, his new Atlantis: downtown Star.

And so, as the new year began, changing the world has come down to this: a Taos morning blue with cold, a 47-year-old man with fly-away hair and a pickax pounding frozen dirt into used tires — the detritus of 20th-century civilization and building blocks of a new utopia.

Star is an acronym for the Social Transformation Alternative Republic, a 1,100-acre (400-hectare) self-sufficient community for around 300 people that Reynolds, a renegade pioneer in the alternative-housing movement, is building on a sage- and piñon-flecked periphery of a town.

The houses at Star will be what Reynolds has christened "earth ships," dwellings made of rammed earth and tires that the architect has been perfecting in and around Taos for the last 20 years. His goal — already realized at another project nearby — is to be independent of the conventional power grid.

Instead of being heated by electricity, the earth ships will use sculpted earth, tire walls and the sun, which also powers the photovoltaic cells that provide electricity. Rather than conventional plumbing, there will be catch-water roof systems to harvest and filter runoff from snow and rain. Used water from bathtubs and sinks will be piped into jungly planters where flowers and vegetables grow. There will be no sewers — only solar toilets, an invention of Reynolds that reduces human waste to dust, dust that "may even be good for something," he said.

His main objective at Star, according to the community's articles of association, will be to "evolve humanity into an earthed harmony." The earthen harmony, he said, will be "half dictatorship, half democracy."

Reynolds doesn't think of himself as a guru, though ardent disciples read his books and watch his videos. He doesn't particularly look like one, either, padding around his offices in knee pads and wool socks with toes poking through, or being engaged in his seemingly futile midwinter tire-pounding rituals, proof "you can build these things even in the dead of winter with boozes," as he called his crew. He sees himself as a scout, a "scout on a wagon train going west."

Alternative building styles, from his steel-belted radicalism to houses constructed of straw bales, have experienced something of a resurgence recently in New Mexico, a home of adobe construction.

A movement within the growing green architecture movement, which focuses on energy efficiency and nontoxic building materials, the current bubble of alternative activity is "a somewhat logical extension of the '60s," said Stuart Brand, the founder of the Whole Earth Catalog. It combines a concern for home and family with affordable housing and environ-

mentalism. Reynolds's grand experiment is anti-industrial in the way it uses technology to bypass utilities and other outside life-support systems but is more sophisticated and replicable than early back-to-the-land efforts.

Viewed collectively, Brand said, mini-movements like Reynolds's suggest that "hippie premises haven't been entirely undone, and people now have the time and money to act on them." Reynolds believes that earth ships contrast with the fabled communes, which betrayed a "naïve trust in human nature." "The thing is," he said, "people don't want to live together. These people also freeze to death. They didn't have the right vessel."

The right vessel — the low-budget model — is a two-bedroom, 1,000-square-foot (93-square-meter) house with horseshoe-shaped rooms tucked into the earth. Its walls are made from stacked tire casings, indestructible building blocks packed solidly with dirt. The rammed dirt functions like a battery, storing and releasing the earth's warmth as well as heat from the sun. It takes about 800 or 900 automobile tires (and a matrix of immemorial aluminum cans and cement) to build one house. A basic earth ship can cost anywhere from \$30,000 to \$40,000 if the owner is his own contractor and does much of the work himself. And it can cost as little as \$60,000 for a custom-designed original by Reynolds's company, Solar Survival Architecture.

On a treacherously steep mountainside outside of town, Reynolds's latest ideas have already taken root at Reach (or Rural Earthship Alternative Community Habitat), a cluster of 15 earth ships, two of which have been completed, sinking up the cliffs like a new-age Mesa Verde.

**A**MONG the Reach homeowners are the actor Dennis Weaver and his wife, Gerry, who have also built a \$1 million, 10,000-square-foot earth ship in Ridgway, Colorado, a mammoth pad that Reynolds wryly referred to as the Earth Yacht. Keith Carraime is another client. Weaver called Reynolds "an absolute dedicated risk-taking visionary genius."

For Reynolds, earth ships are a social mission that transcends architecture.

"A lunar module allows you to go to the moon and function," he is fond of saying, vaguely echoing Buckminster Fuller, whose geodesic domes were considered radical concepts for space-age earth. "This vessel enables you to live on the earth and function."

Of the fledgling earth ships built by Solar Survival in and around Taos, some of them 18 years old, none have suffered building failure, said Bob Koss, the state's regional building inspector. But questions remain about what will happen when novices with tires in their eyes build earth ships on a large scale. At Star, Koss noted, Reynolds "is getting close to the point where he's not going to have the control that he did." Reynolds will inspect the earth ships, for a sliding fee, four times during the construction process.

### HEAR THIS

Leadership literature update: "The Genius of Sitting Bull: 13 Heroic Strategies for Today's Business Leaders" by Emmett C. Murphy. We won't bore you with the usual nonsense about vision, knowledge and (oh, come on) empathy, but here's Quality No. 6, according to AP: "Communicate on many levels: Heroic leaders master the skills of multilevel communications to link all people together." Noted.

### THE MOVIE GUIDE

**Story of Qiu Ju**  
Directed by Zhang Yimou.  
R.

After the formal beauty of *Raise the Red Lantern*, Zhang Yimou uses a candid, near approach for his first temporary subject, a chronicle of Chinese peasant life that in the Gold Lion at Venice, often with pregnancy, trussed in a rustic red dress, Qiu Ju (Qing Li) seeks justice for her husband who has been humiliated by the village chief. She presses her suit at every level — village and provincial — a young other Courage. The domestic ting and city scenes are armed with life and humor. There's little emotion in the scene. Just as none of the tractors grasps what Qiu Ju is dilly after — what do women n, anyway? — the secret of r stubborn passion stays as stenuous as her relationship to r husband. By keeping the lid the shadowy side, Yimou's u never escapes the confinement of its initial argument.  
*Jean Dupont, NYT*



**Chaplin**  
Directed by Richard Attenborough. U. S., France, Italy, Japan.

Old-fashioned, overblown and unduly reverential, Richard Attenborough's "Chaplin" might as well be "Gandhi Gone Hollywood." It's a monumental biopic that cheapens the hero's successes by glossing over the failures that surely shaped the man. A ruthlessly evenhanded direc-

tor, Attenborough turns the silent screen star's life into a TV-movie mush of short-lived marriages and celebrity-packed premieres. In the film, drawn from Chaplin's "My Autobiography" and David Robinson's "Chaplin: His Life and Art," Charlie is played with heart and bowler hat by Robert Downey Jr. But Attenborough doesn't have a clue when it comes to Chaplin's psychology, a shortcoming he lobs off on Chaplin himself, who dishes out anecdotes during a fictitious meeting with the editor of his autobiography. "If you want to understand me, watch my movies," says Chaplin — advice that Attenborough finally takes with some clips that make us laugh, a rarity in this morose undertaking.  
*(Rita Kempley, WP)*

**Lorenzo's Oil**  
Directed by George Miller. U. S.

"Lorenzo's Oil" is the tough-minded, completely gripping story of Augusto and Michaela Odone (Nick Nolte and Susan Sarandon), parents who receive the worst conceivable news about their child. At 5, Lorenzo Odone began exhibiting symptoms of what would soon be diagnosed as adrenoleukodystrophy, a rare and invariably fatal disease. The Odones were essentially told that the best they could do would be to make Lorenzo's last days comfortable, that he would die within two years. The Odones, amazingly, did something to change that. There are no false miracles; there are no self-congratulatory triumphs; there is no smiling through anyone's tears. This film has an appealingly brisk, un sentimental style and a rare ability to compress and convey medical data. It also displays tremendous compassion for the Odones. *(Janet Maslin, NYT)*

**Scent of a Woman**  
Directed by Martin Brest. U. S.

This glorified father-son buddy film with a needlessly sensitive title, offers Al Pacino the kind of opportunity actors dream about. As Lieutenant Colonel Frank Slade, a corrosively bitter military man who has been blinded (quite literally) by his own stupidity, Pacino roars through this story with show-stopping intensity. Bo Goldman's screenplay provides him a string of indelible wisecracks, and Martin Brest's direction allows room for the character to be developed at great length. As in "Rain Man," this film juxtaposes a flamboyant performance and a quieter foil. The latter is Charlie Simms (Chris O'Donnell), a scholarship student at a snobbish New England prep school who takes on the job of minding Slade over Thanksgiving vacation. O'Donnell has the tough job of weathering every "Ha!" or "Hoo-wah!" from Pacino without jeopardizing his role as straight man, and he does this stalwartly. Only a master of straight-faced delivery could handle Charlie's sincere side, as when he confounds Frank with one of Goldman's few nonsparkling observations: "You're not bad. You're just in pain."  
*(Janet Maslin, NYT)*

**ENTERTAINMENT**

POUR LE PIANO  
SAISON 1992-1993

VICTORIA HALL, GENÈVE  
6 RÉCITALS DE PIANO

MICHEL BEROFF  
MIKHAIL PLETNEV  
ANDRAS SCHIFF  
VLADO PERLEMUTER  
LEON FLEISHER  
KRYSTIAN ZIMMERMAN

# A Great Chef at a Great Price

By Patricia Wells  
*International Herald Tribune*

PARIS—Tired of three-star restaurants? The reservations six weeks in advance? The pomp, the circumstance, the very importance of the event? Not to mention the cost.

There, too, of elbow-to-elbow bistros and snobs in your eyes, on just the night you're starving for blanquette de veau, warm apple tart, a drinkable little red wine?

Leave it to Joël Robuchon — the undisputed master of modern French cooking — to figure out what Parisian diners are looking for today. While he waits to transfer his Michelin three-star restaurant, Jamin, from Rue de Longchamp to its new home on Avenue Raymond Poincaré, the chef has taken over the restaurant next door. That is, the hotel dining room of Le Parc Victor Hugo.

Open for three weeks now, Le Relais du Parc is demure, moderately quiet and about as dignified as you can get while serving up hearty portions of smoked herring and steamed potatoes, skate and cabbage, oxtail and chocolate mousse. It's as if the High Togue decided to don corduroys for the weekend.

If you know Robuchon's cooking, you know that his herring, skate, oxtail and mousse are not like anyone else's. Yet even when one's expectations are high, he does not disappoint. Having worked with him for many years as an understudy in pursuit of a cookbook, I find it fascinating to see how he translates his rigorously creative cuisine to brand-name French fare that conjures up memories (or wishful thoughts) of Sunday at grandmother's.

Once you've sampled his state-of-the-art blanquette de veau, his densely flavored crown of queue de boeuf (oxtail) on a bed of carrots, bowls of marinated herring paired with tiny rosepotatoes steamed in their skins, or the ever-popular this apple tart, you'll be certain to have sampled the best that exists.

Service is on a par with the food, with Serge Calvez as an outgoing and thoroughly responsible responsable. And chef Gilles Renault demonstrates that he's well on the way to mastering the master's precepts.

The decor at Le Relais du Parc resembles a consummate movie set, a Frenchman's image of a perfectly English back porch. It certainly doesn't exist in real life, this flawless glossy-white, manicured, pretty-pretty place with

neat flowers and footed white porcelain bowls of bright orange clementines reflected in rectangles of spotless, mirrored French doors. It's a touch of French fantasy, right at home deep in the 16th arrondissement.

The menu is brief and to the point, with a daily plat du jour, such as the blanquette. There are two dining rooms, a welcoming room for smokers that resembles an impeccable Ralph Lauren ad and the coquettish back-porch room for nonsmokers.

The wine list — with selections from Da-gueneau and Madame Raffault in the Loire, Jayer and Tolle-Bout in Burgundy, Guigal, Grisa and Graillet in the Rhône, and Domaine Tempier in Provence — should keep up all happy drinkers for a good long time.

There is room for about 70 diners, and you don't need to reserve six weeks in advance. A few days will do. And you won't need to mortgage the house to enjoy the magic of Robuchon. (Construction has not yet begun on the grand restaurant next door. If all goes well, one may see an opening sometime in the fall.)

The Relais du Parc, 55 Avenue Raymond Poincaré, 75116 Paris; tel: 44.05.66.10. Open daily. Credit cards: American Express, Diners Club, Visa. A la carte, 300 to 250 francs per person, not including wine.



## Naming Things: Old Word Order

By Barbara Rosen

PARIS—Ask for a Swiss steak in Zurich or a Russian salad in Moscow, and you're bound to get puzzled looks. But while they may not exist in the countries whose names they bear, there is a reason they're called what they are. A surprising number of foreign labels can be traced to explanations — some laudatory, some pejorative, some just plain wrong.

Often, said John Simpson, the co-editor of the Oxford English Dictionary, "the word for the country is just used to mean rather odd or peculiar." "French cukes," for example, applies to a form of the game that's just not the traditional one. "It's not intended as a great racial slur," Simpson said. "It's just they do things in a slightly different way than we do."

Across the Atlantic, it's typically "Chinese." "Chinese" is a word that's used for a lot of things that just mean foreign," said David Weeks, a senior editor at The American Heritage Dictionary. "In older days, 'Chinese' was practically a synonym for 'funny' or 'odd.' It doesn't actually mean that the thing comes from China."

It doesn't take much for the foreign-as-different label to slip into the slur. "French letter," which appeared as an English term for condoms in the mid-19th century, was employed to describe "highly under-the-counter sort of things," Simpson said. "At the time, they were not the sort of thing to discuss in polite company," and therefore couldn't be claimed as one's own.

"Something like 'Chinese fire drill,' that's clearly derogatory," added Reinhold Aman, editor of Maledicta ("the international journal of verbal aggression"). "But 'Chinese checkers' is not.

English anti-Dutch compounds stuck after 17th-century conflicts, said Richard Lederer, a language writer based in New Hampshire, citing "Dutch courage" (cour-

age because of intoxicants) and "Dutch treat" (no treat at all).

Of course, foreign labels can also add cachet. The American "French dry-cleaning" technique, which involved hand-dipping clothing in a solvent, did originate in France in the early 1800s, said Dawn Adams, an instructor at the International Fabrics Institute in Maryland. But because of U.S. safety regulations, "you can't do it now," she added. Cleaners who claim to be "probably doing more of a spot-cleaning thing."

Among other real origins, a 1937 article quoted in the Oxford English Dictionary describes "Russian roulette" being practiced among Russian troops in Romania. "Indian summer," says the Encyclopaedia Britannica, originated in the northeastern U.S. and probably arose from the Indians' practice of gathering winter stores at this time. Such late warm seasons are called "All-hallows" or "old wives' summers" in Europe.

"French leave," or unauthorized departure, actually dates from an 18th-century custom, popular in France, of leaving without saying good-bye to one's hostess.

The roots of "French toast" are in the French dish *pain perdu*, according to The Dictionary of American Food and Drink by John F. Mariani, which also lists its names in other countries and notes that at various times in America it has been called "Spanish," "German," and "hunk" toast.

"Danish pastry," meanwhile, seems to have been a case of good marketing. According to "America's Table" by Joseph D. Wehling, the term was much in use in 1917-18 in connection with a single baker who was indeed from Copenhagen and who traveled to various American cities demonstrating his pastry-making techniques: "Nothing new or spectacular nor particularly 'Danish.' His 'Danish pastry' had been practiced for ages in Continental Europe, which he admitted."

Yet while deep-fried potatoes may be ubiquitous in France, the name "fries" comes not from an assumption that cutting potatoes into narrow strips, according to The Dictionary of American Food and Drink.

Then there's "in-the-style-of-" "Russian salad" of vegetables mayonnaise, originally containing beetroot, which may have led to association with things Russian, said OED's Simpson. "Russian dressing," according to various gastronomic tomes, is American invention, possibly so-named because it originally included caviar, or thought to resemble Russian salad.

Lastly, there's the "was it just a slip of the tongue" category. Experts believe Greek Danes came from Germany, according to "Misnomers," by Mark and Diane Kern Dittick. And guinea pigs come from Guinea.

Foreign labeling, in all its forms, is restricted to English. "Homard a l'américaine," or "lobster American-style," cooked in oil and tomatoes, was created in France by a French chef (though he had spent it working in America), according to The Larousse Gastronomique. Look up "French letter" in the Collins Robert English-French dictionary and you'll find "capote anglaise." Look up "French leave" and you'll find "à l'anglaise."

And while "unintelligible" may be Greek to an English speaker, it's "Chine to a Greek, says Elias Petropoulos, a Greek writer who lives in Paris. He adds: "mankind calls syphilis the 'French disease' — except the French, who say it's the 'Illa of Naples.'"

Barbara Rosen is a free-lance journalist living in Paris.

### THE ARTS GUIDE



Clockwise from left: Miniatures, Weil am Rhein; Bruce Gilder photo, Lausanne; Peruvian figure, New York.

**AUSTRALIA**  
Sydney Australian Museum (tel: 339.6111). To Feb. 5: "Gargantuans From the Garden." Featuring large surrealistic robotic insect sculptures with blades of grass which stand as high as humans.

**AUSTRIA**  
Vienna Museum Moderner Kunst Stiftung Ludwig (tel: 782.550). To Jan. 31: "Rudolf Schwarzkogler." A survey of the Austrian artist's paintings, photography and graphic works.

**BELGIUM**  
Antwerp Koninklijk Museum voor Schone Kunsten (tel: 238.78.09). To March 7: "De Bruegel a Rubens: L'Ecole de Peinture Anversoise, 1550-1650." One hundred and fifty works by local artists throughout the century. Includes artists such as Frans Floris, Masiarten de Vos, Pourbus, Snyders and Van Dyck.

Brussels Musées Royaux d'Art et d'Histoire (tel: 741.72.11). To Jan. 30: "Jade Qing." More than 150 objects in jade from the Chin Dynasty (1644-1911).

**BRITAIN**  
London Royal Academy of Arts (tel: 438.7438). To April 11: "The Great Age of British Watercolors 1750-1850." Traces the changing role of landscape painting and artist's perception of the natural world over the span of a century.

The South Bank Centre (tel: 921.0888). Jan. 20 To March 7: "More than Meets the Ear: An Exploration of the Song Lyrics." A series of talks and concerts surveying lyrics in Europe over the past 30 years. Including concerts by Billy Bragg, Tom Robinson and Peggy Seeger.

Oxford Ashmolean Museum (tel: 278.009). To Feb. 7: "Indian Paintings and Drawings from the Collection of Howard Hodgkin." These works date back to the Mogul period and include themes such as court life, royal portraits and epic scenes in 16th to the 19th centuries.

**CANADA**  
Ottawa National Gallery of Canada (tel: 990.1985). To Feb. 7: "Correspondences: Jack Sharkey's Paintings and drawings by the Canadian artist.

**CZECHOSLOVAKIA**  
Prague Sternberg Palace (tel: 35.24.413). To Jan. 24: "The Fairy Tale." A survey of fairy tale motifs in Czech art.

**FINLAND**  
Helsinki Taidelaikokausen Konstindustri-museet (tel: 174.455). To Feb. 28: "Junichi Arai." A display of the Japanese artist's contemporary textile and ceramic works.

**FRANCE**  
Bordeaux Musée des Arts Décoratifs (tel: 55.10.15.82). To Feb. 15: "Dolls of Yesterday, Creations of Today." A selection of dolls dating from the middle of the 19th century to the present day.

Paris Ecole Nationale Supérieure des Beaux-Arts (tel: 47.03.50.00). Jan. 20 to Feb. 28: "Travaux des Elèves avec les Follies du Jury 1991-1992." Paintings, sculptures, drawings and mixed-media works by 50 of the top graduating students of the past year.

Monsi Blamarok Fondation (tel: 47.23.38.88). To Feb. 27: "Capitales: 1875-1942." More than 90 caricatures representing popular political figures, writers and celebrities of the period. Includes such figures as Sarah Bernhardt, Mounet-Sully, Jean Jaures and Marcel Proust.

Musée Kröller-Müller et l'Institut Néerlandais (tel: 47.05.85.99). Jan. 21 To March 7: "Epreuve d'Artiste." A display of contemporary sculptures ranging from minimalist and conceptual works to *arte povera*. Includes such artists as Pino Pascali, Zorio Koussellis, Gilbert and George and Barry Fluman.

Centre Georges Pompidou (tel: 44.78.12.33). Jan. 20 to April 4: "Daniel Dezeuze: La Vie Anarchiste des Plantes." More than 75 drawings, primarily of plants and their biological processes, surveying the contemporary artist's research.

**GERMANY**  
Berlin Deutsches Historisches Museum Unter den Linden (tel: 215.020). To Feb. 23: "Die Ufa." Commemorates the 75th anniversary of Ufa, the German film company.

Frankfurt Kunsthalle (tel: 298.88.20). To Feb. 14: "Edward Hopper 1882-1967." Paintings, watercolors and drawings portraying daily life in America.

Kassel Museum für Sepulkralkultur (tel: 918.930). To Jan. 31: "Walter Benjamin: L'Écriture et l'Œuvre." The life and work of the German Jewish philosopher and critic.

Well am Rhein Vitra Design Museum (tel: 718.568). To Feb. 14: "Richard Hamilton." A retrospective of painting, reliefs and mixed-media works by the British Pop artist, spanning over a 50 year period.

**ISRAEL**  
Jerusalem The Israel Museum (tel: 708.811). To Feb. 15: "Flora Ponderosa Pink and Brown." A large installation comprised of stuffed legs, used shoes and wax molds.

**JAPAN**  
Fukuoka Fukuoka Prefectural Museum of Art (tel: 715.3551). To Feb. 7: "Watercolors in Japan." Featuring more than 100 works produced since the beginning of the Meiji Era.

Kyoto The National Museum of Modern Art (tel: 781.4111). To Feb. 14: "Fauvism and Modern Japanese Painting." More than 170 paintings by Fauvists and artists influenced by them. Includes artists such as Matsumoto, Derain, Vlainock and Duffy.

Mie Prefectural Art Museum (tel: 227.2100). To Feb. 14: "Marc Chagall." More than 100 works, including oil paintings, watercolors and prints in the themes: "Russian Towns," "The Bible," "Circuses and Musicians," and "Lovers and Flowers."

**NETHERLANDS**  
Amsterdam Tropenmuseum (tel: 568.8200). To Aug. 22: "ADVANSI: Het Andere India." In commemoration of the international year for indigenous people, this exhibit pays tribute to the indigenous of India. Includes drawings, murals, paintings and sculptures.

Leiden Rijksmuseum voor Volkenkunde (tel: 732.121). To Feb. 14: "Prints From Japan Undergoing Change, 1880-1940." A survey of modern Japanese prints spanning the Meiji, Taisho and Showa periods.

Utrecht Central Museum (tel: 382.318). To Feb. 21: "Gerrit Rietveld: 1888-1964." A retrospective featuring more than 300 pieces of furniture, interior design models, architectural sketches and photos.

**NORTHERN IRELAND**  
Belfast Ulster Museum (tel: 381.251). To March 28: "Sir John Lavery (1856-1941): Painter of an Era." A retrospective featuring early landscapes, leisure scenes and portraits.

**SWITZERLAND**  
Geneva Musée Barbier-Mueller (tel: 312.02.70). To Feb. 16: "Art des Îles Salomon." An assortment of ancient tribal works from the Solomon Islands in the South Pacific.

Leuven Musée de l'Elysée (tel: 617.4821). Jan. 21 to March 28: "Bruce Gilder: Haiti." A series of the New York photographer's works on life and culture in Haiti.

Basel Stedion Pierre Gianadda (tel: 223.978). To Jan. 24: "Ben Nicholson." A retrospective including more than 50 paintings, reliefs and wood cuts by the English artist.

Zurich Kunsthhaus (tel: 251.67.55). To Feb. 1: "Ernst Scheidegger." Features photos, sculptures and paintings by the Swiss architect of the Swiss Federal Palace of Arts and Culture.

**UNITED STATES**  
La Jolla San Diego Museum of Contemporary Art (tel: 454.3541). To Feb. 28: "Jane Sorbell: Stages of Being." A retrospective of the Czech-born Canadian artist's mixed-media works.

New York The Metropolitan Museum of Art (tel: 878.5500). To July 4: "Loma Negra: A Peruvian Lord's Tomb." More than 120 pieces made in the third century by the Moche people of Peru. Features funerary objects, adornments, headdresses, masks and necklaces.

Museum of Modern Art (tel: 708.9490). To Jan. 24: "Eliwirth Kelly: The Years in France, 1848-1948." A survey of a pivotal period in the career of one of America's most respected abstract artists.

The Studio Museum in Harlem (tel: 448.4500). To April 11: "Witold Rybczyk: Views of the French Countryside." Ely and his contemporaries such as Corot, Daubigny and Rousseau, forerunners of the emerging Barbizon School, produced naturalistic landscape and genre subjects by working in situ.

**PERU**  
Norton Simon Museum (tel: 448.8840). To May 3: "Eugene Bly: Views of the French Countryside." Bly and his contemporaries such as Corot, Daubigny and Rousseau, forerunners of the emerging Barbizon School, produced naturalistic landscape and genre subjects by working in situ.

## HIGH TECHNOLOGY & PROFITABILITY FOR THE 21st CENTURY

London, March 25-26, 1993

MARCH 25	MARCH 26
09.00 KEYNOTE ADDRESS The Rt Hon Lord Young of Griffiths, Executive Chairman, Cable & Wireless plc	09.00 KEYNOTE ADDRESS Heinz Rosenbusch, Minister of Research & Technology, Germany
09.45 THE PEACE DIVIDEND - IMPLICATIONS FOR R&D Françoise Helebourg, Senior Vice President, Strategic Development, Matra Défense & Espace, Paris Philip Cheney, Vice President, Engineering, Raytheon Co., Lexington, MA	09.30 INVESTING IN R&D: ESTABLISHING CRITERIA FOR PUBLIC & PRIVATE SECTORS Moderator: Michael Osborne, Head, Science & Technology Policy Division, OECD, Paris Jürgen Drews, President, International R&D, and Member of the Executive Committee, Roche Group, Nutley, NJ Edward Leigh, Parliamentary Under Secretary of State for Technology, UK John Nelson, Vice Chairman, Lazard Brothers, London Robb Whitmore, Chairman, OASIS Group plc
10.45 Coffee	11.10 Coffee
11.15 GENERATING PROFITS FROM NEW TECHNOLOGIES Moderator: Michael D Uva, Executive Director & Head of the European Technology Group, Morgan Stanley International, London Ratko Braun, President and Chief Operating Officer, Unileys Corp., Blue Bell, PA Françoise L'Épitaillier, Member of the Executive Committee, Ciba-Gelby AG Blaire Davis, Vice President, Corporate Strategy & Development, AT&T, Basking Ridge, NJ	11.30 THE CONTROVERSIAL ROLE OF SUBSIDIES Jorma Ollila, President & Chief Executive Officer, Nokia Corporation, Helsinki EC Commissioner*
12.45 Lunch - hosted by Unileys, Europe & Africa Division	12.30 TECHNOLOGY TRANSFER & INTELLECTUAL PROPERTY RIGHTS Moderator: Richard Bates, Director, IOC UK Martin Franzman, Director, Institute for Japanese-European Technology Studies, University of Edinburgh Jan A Harvey, Chief Executive, British Technology Group Boris Saltyskov, Minister of Science and Technology, Russia
14.45 HARNESSING BRAIN POWER: THE ROLE OF BASIC RESEARCH Moderator: Axel Krause, Corporate Editor, International Herald Tribune Praveen Chaudhari, Research Scientist, IBM Research Division, Yorktown Heights, NY Ulrich Seiffert, Member of the Board, R&D, Volkswagen AG	13.30 Lunch OUTLOOK FOR HIGH TECHNOLOGY - A PERSONAL VIEW Wissam Dekkar, Chairman of the Supervisory Board, Philips Electronics NV
15.45 Tea	15.30 CLOSING REMARKS Jean-Charles Rostker, Secretary General, International Chamber of Commerce, Paris
16.00 GLOBAL CORPORATE ALLIANCES: DO THEY WORK? Karlheinz Kastler, former President and CEO, Siemens AG Edward G Kravitsky, Director, McKinsey & Co., Munich Konrad Seltz, German Ambassador to Italy, and author of 'The Japanese-American Challenge - Germany's Hi-Tech Industries Fight for Survival' Senior Executive, Major Japanese Corporation	Conference Chairmen: Patrick Gilliam, Chairman, ICC UK, Chairman, ASDA Group, and Deputy Chairman, Standard Chartered Bank Lee W Husbrner, Publisher, International Herald Tribune
18.00 Cocktails	* invited

REGISTRATION INFORMATION: The fee for the conference is £250 plus 17.5% VAT. This includes lunches, the cocktail reception and all conference documentation. Fees are payable in advance and will be refunded less a £25.00 cancellation charge for any cancellations received in writing on or before March 8, after which time we regret there can be no refund. However, substitutions may be made at any time. We are able to offer a limited number of places at a special rate of £50 plus 17.5% VAT for ICC members.

REGISTRATION FORM: To register for the conference, please complete the form below and send it to: Sarah Whitefield, International Herald Tribune, 63 Long Acre, London WC2, England. Tel: (44 71) 836 4802. Fax: (44 71) 838 0717.

Enclosed is a check for £783.75/£248.25 made payable to the International Herald Tribune  Please invoice

Title (Dr. Mr. Mrs. Ms. Miss) \_\_\_\_\_ First Name \_\_\_\_\_  
Family Name \_\_\_\_\_  
Position \_\_\_\_\_  
Company \_\_\_\_\_ 15-1-93  
Address \_\_\_\_\_  
City \_\_\_\_\_ Country \_\_\_\_\_  
Telephone \_\_\_\_\_ Fax \_\_\_\_\_

CONFERENCE LOCATION: Inter-Continental Hotel, 1 Hamilton Place, Hyde Park Corner, London W1. Tel: (44 71) 408 3131. Fax: (44 71) 493 3476.  
CONFERENCE SPONSORS: IOC, The World Business Organization, Herald Tribune, Eribune

hic: Try  
f Tires

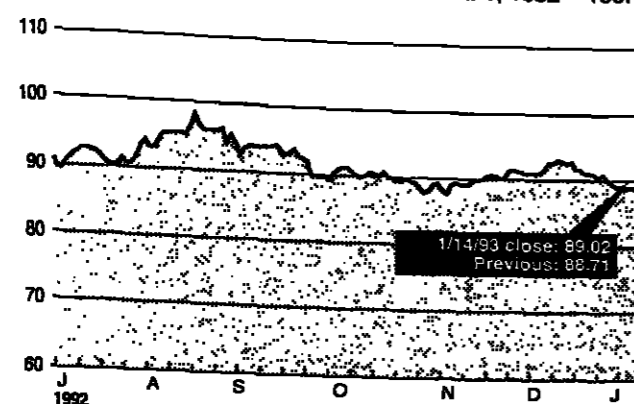
FROM 4TH TO 31ST JANUARY 93  
**SPECTACULAR SALE**  
ON LEADING BRANDS  
The big brands in tableware are being offered at incredible sale prices in the 25 shops on the rue de Paradis.  
PARIS 10<sup>e</sup>





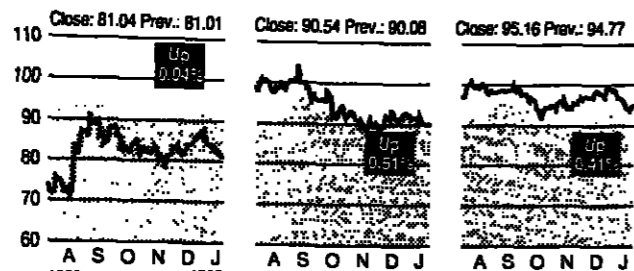
### THE TRIB INDEX: 89.02

International Herald Tribune World Stock Index, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Asia/Pacific	Europe	N. America
Approx. weighting: 25%	Approx. weighting: 40%	Approx. weighting: 35%
Close: 81.04 Prev.: 81.01	Close: 90.54 Prev.: 90.08	Close: 95.16 Prev.: 94.77



Industrial Sectors		
Index	Prev. Close	% Change
Energy	88.89	-0.73
Utilities	85.26	-0.04
Finance	80.94	+0.33
Services	101.18	+0.85
Capital Goods	89.11	+0.75
Raw Materials	90.81	+0.80
Consumer Goods	89.43	+0.27
Miscellaneous	98.09	+0.85

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

## Car Firms Try Long Road to Tokyo

By Steven Brill  
International Herald Tribune

TOKYO — Western carmakers, criticized in the past for paying executives fat salaries and wanting to take a free ride in the Japanese market, are acting more like long-term players here, even as the recession bites into sales.

At the Thursday opening of the Tokyo Imported Automobile Show, forecast to attract 250,000 visitors over four days, Western auto executives sounded more like their Japanese rivals of decades ago. The ideology seems to be that long-term investment to develop independent dealer networks and high-profile brand images is the key to expanding the paltry market share of imported cars, now below 4 percent.

### Not Made in Japan

Leading foreign car sales in Japan in 1991.  
Total foreign sales: 198,000.

Country	Sales
Germany	34,000
Mercedes	33,800
BMW	30,200
Volkswagen	14,400
Audi	4,400
U.S.	3,500
U.S. Honda	2,500
Chevrolet	2,500
Ford	2,500
Pontiac	1,500
Chrysler	1,200
Cadillac	1,200
Britain	15,900
Rover	12,500
Sweden	12,400
Volvo	10,100
France	10,800
Peugeot	4,700

Mazda plans supply swap with Nissan and questions European deal with Ford, Page 17.

visited Tokyo with the chairman of the three big U.S. automakers in tow, the Japanese believed that before Americans could hope to sell in volume, they had to improve the design and quality of their cars. More important, they had to make heavy investments in Japan and learn to satisfy Japanese consumers.

Now, as improved quality and pricing are winning back share from the Japanese in the United States, the Big Three are beginning to follow through in Japan. Ford Motor Co. last year boosted its stake and working capital in Autodata, a domestic distributor in which Mazda Motor Corp. has an equal share. It also took over the importation of Ford cars from Mazda, of which it owns about a quarter. Ford plans to introduce a right-hand drive model in early 1994, according to Hiroo Tanabe, general manager of external affairs.

Chrysler Corp., which sold only 1,602 cars here last year, won the race among the Big Three automakers to exhibit a right-hand drive car Thursday, showing off the Jeep

Chrysler Corp., which sold only 1,602 cars here last year, won the race among the Big Three automakers to exhibit a right-hand drive car Thursday, showing off the Jeep

Chrysler. Chrysler projects sales to grow to 2,500 units this year.

The American efforts, and their results, however, remain years behind the Europeans, who command about 75 percent of the imported car market in Japan. European carmakers got a big boost in the bubble economy of the late 1980s, when flush consumers were keen to show off their luxury cars.

But the collapse of the bubble is hurting the Europeans most. Whereas the U.S. Big Three boosted sales by 3 percent in 1992, to 14,093 cars, European makers' sales fell 14.5 percent, to about 141,000 units, compared with an overall decline in passenger car sales of 8.6 percent, to 3.68 million units.

Nonetheless, it is the Europeans who are making the boldest investments. Last month, Volkswagen Audi Nippon spent 2.6 billion yen (\$20.7 million) to gain control of a loss-ridden dealership network, JAX Ltd., even though it knew doing so would ensure a 25 percent fall in sales this year, to 32,000 vehicles. It capped a decade of growing European independence here, a trend begun by Bayerische Motoren Werke AG in the early 1980s, and followed in subsequent years by Rover Japan, Mercedes-Benz, Fiat SPA and others.

For the Americans, whose products on balance remain less suited to the Japanese market than those of the Europeans, it makes sense to work through local partners.

But for the upscale European makers, it has become increasingly important to go it alone. For example, Volkswagen AG's decision to break from its partner, Yanase & Co., the biggest distributor of foreign cars in Japan, resulted from growing impatience with its go-slow approach. "Yanase was content to sell a small number of cars at a high mark up and try to keep a monopoly on distribution," said Benjamin Moyer, an analyst at Merrill Lynch & Co. in Tokyo.

Mr. Moyer of Rover, who also chairs the See CARS, Page 15

## Cathay's Attentive Attendants Get Fed Up

By Laurence Zuckerman  
International Herald Tribune

HONG KONG — Cathay Pacific Airways' campaign to cut costs received an embarrassing setback Thursday when flight attendants called a surprise strike, forcing cancellations and widespread delays in the Asian and transcontinental service of Hong Kong's pre-eminent carrier.

Temper flared at Hong Kong's Kai Tak Airport as Cathay flight attendants, who are normally portrayed by the company for their geniality in helping passengers "arrive in better shape," turned on management with a vengeance.

"This will go on for a long, long time," said Rachel Varghese, a member of the executive committee of the Flight Attendants Union. "It is gaining momentum as more people return to Hong Kong."

[Cabin crew arriving at Kai Tak to report for duty were mobbed by two groups, Reuters reported. Strikers tried to persuade colleagues to join them while management tried to get them to work.]

[Cathay Pacific's commercial director, Michael Thacker, said at a news conference that the dispute, which flared up Wednesday night, had spread overseas. "Some of our crews in airports have indicated they don't want to fly," he said.]

[Efforts were under way to persuade staff at airports in Asia, Europe and North America to go back to work, but the latest figure was that

13 of Thursday's 31 incoming flights had been delayed, Reuters reported.]

The dispute, which has been simmering for months, underscores the airline's dilemma as it struggles to maintain its margin of profit while the costs of operating from Hong Kong, with its nearly 10 percent annual rate of inflation, rise faster than revenue.

The company has recently moved its principal computing operations to Australia and some of its accounting department to Guangzhou, in

China, in a bid to save money. It is also planning to base more of its pilots and cabin crews in relatively inexpensive cities in Europe, North America and Asia.

"It is all related to the productivity gains which Cathay is trying to make in its business," said Sheldon Kasowitz, an airline analyst at Jardine Fleming Brokers. "They have to balance keeping workers happy and motivated and keeping down costs."

The extent of the walkout shows how badly they have failed, he added. "This is really the first time that the union has had any bite at all. It's an important precedent."

The flight attendants say the airline is understaffed and that they resent being asked to fill in for absent colleagues above or below their normal levels of seniority. Management says such requests are rare but necessary.

"The company considers it desirable for staff to occasionally work in different positions," Mr. Thacker said.

Talks between management and the union, which claims to represent 85 percent of the airline's 4,009 cabin-crew staff, broke down late Wednesday. Minutes later, 29 attendants refused to service a London-bound flight, which was subsequently canceled.

The strike spread Thursday, disrupting the airline's entire schedule. Many passengers complained that they were not informed of the potential delays and were given little help making alternative plans. But Mr. Thacker asserted that the airline had managed to operate the majority of its flights.

Negotiations between the company and the union did not resume Thursday and both sides said it was up to the other to take the next step. The longer the strike continues, analysts said, the more Cathay Pacific will be hurt. "It's a service company. Their plane is the same as any other airline's," Mr. Kasowitz said. "No matter how much management downplays the problem, it behaves them to settle."

they have failed, he added. "This is really the first time that the union has had any bite at all. It's an important precedent."

The flight attendants say the airline is understaffed and that they resent being asked to fill in for absent colleagues above or below their normal levels of seniority. Management says such requests are rare but necessary.

"The company considers it desirable for staff to occasionally work in different positions," Mr. Thacker said.

Talks between management and the union, which claims to represent 85 percent of the airline's 4,009 cabin-crew staff, broke down late Wednesday. Minutes later, 29 attendants refused to service a London-bound flight, which was subsequently canceled.

The strike spread Thursday, disrupting the airline's entire schedule. Many passengers complained that they were not informed of the potential delays and were given little help making alternative plans. But Mr. Thacker asserted that the airline had managed to operate the majority of its flights.

Negotiations between the company and the union did not resume Thursday and both sides said it was up to the other to take the next step. The longer the strike continues, analysts said, the more Cathay Pacific will be hurt. "It's a service company. Their plane is the same as any other airline's," Mr. Kasowitz said. "No matter how much management downplays the problem, it behaves them to settle."

The extent of the walkout shows how badly

### WALL STREET WATCH

## The Wind Is Weakening Beneath Boeing's Wings

By John Holusha  
New York Times Service

NEW YORK — Shares of Boeing Co. have been losing altitude. The big aircraft maker, whose order backlog seemed immune to the problems of the airline industry well into the recession, is planning to cut back production this year as sizzly airlines defer orders.

Boeing shares have fallen from more than \$40 late last week to \$37.50 Thursday, down 75 cents, on the New York Stock Exchange. Two-and-a-half years ago, Boeing shares were over \$60 a share. And analysts say a further weakening is likely, since it is by no means clear how far airlines will go in canceling and stretching out aircraft deliveries.

"The only thing that is sure is that production schedules have not hit bottom," said Howard A. Rubel, analyst at C.J. Lawrence.

The latest blow came this week, when Japan Air Lines acknowledged that the carrier would delay taking delivery of some of the 747 jumbojets that are Boeing's most profitable product.

The commercial aircraft business is cyclical. When times are good and people have the income to travel, airlines order more planes. But they take time to build, so that by the time the tail end of orders are set to go into production, demand may have weakened.

According to Boeing, the number of unfilled orders for commercial planes fell to 1,427 at the end of November from 1,658 at the beginning of the year.

A falloff in 747 orders may force Boeing to cut its production rate of five a month. The 747 is the only model to avoid a slowdown so far. Boeing said last year it planned to cut output of 757 models from 8.5 to seven a month this time and to five a month in November. Output of 767s will slow from five to four a month in November, too. Production of the 737 was cut to 14 a month from 21 in October.

A production slowdown is likely to produce a squeeze on earnings at a time when the company is spending heavily to develop its new 777 wide-body, a twin-jet aircraft to go into service in 1995.

As a result of the expected cuts in 747 production, Cai von Rumohr, an analyst with Cowen & Co., reduced his estimate for the company's 1994 earnings to \$3.25 a share from \$3.70 a share.

Still, Boeing has improved its market share. Mr. Rubel said, as other plane makers have been hurt worse than it has. "I estimate other plane makers have been hurt worse than it has. I estimate that 309 commercial aircraft worth about \$21 billion were ordered last year," he said. "Boeing got 78 percent of those, which is way above its historic share."

## Japan Air Lines Decides to Slash Costs — Again

Compiled by Our Staff From Dispatches

TOKYO — Japan Air Lines announced Thursday its second major restructuring in six months with a series of extensive cost-cutting measures.

The company said that capital investment in the next five years would be 1 trillion yen (\$7.97 billion), 600 billion yen less than the five-year plan announced last year.

To cope with mounting losses, the airline said it would cut costs by reducing salaries, cutting advertising and hiring lower-paid non-Japanese cabin attendants. The airline said the cuts, along with reduced investment, would save it 100 billion yen by March 1994.

The airline said it aimed to break even in 1993-94 before posting a profit in 1994-95 and restoring dividend payments the year after that.

The parent company expects a pre-tax loss of 50 billion yen in financial 1993, on sales of 1.05 trillion yen. It posted a 1992 loss of 6.04 billion yen on sales of 1.11 trillion.

The latest restructuring plan follows a wave of cost-cutting measures and staff changes announced last June. Management said that the new cuts would be concentrated in the two-year period starting in April, a time that would be a "crucial period for survival."

Regarding aircraft orders, the company said that the doubling of its Boeing 747-400 fleet from 25 to 50 is being put on hold with deliveries being limited to 15 Japan Air Lines, the world's biggest buyer of Boeing planes, currently has firm orders for 26 of the aircraft and options on a further 29.

The airline also said it planned to increase the domestic side of its business to 40 percent of total business by March 1995, up from a 30 percent in 1992. Domestic traffic is more profitable than international, but All Nippon Airways flies the bulk of Japan's domestic flights.

Long-distance routes to South-east Asia, China and Australia are to be increased while trans-Pacific routes will be reduced, notably on the Tokyo-Los Angeles run, where frequency will be cut from 14 flights a week to nine.

The reorganization will also include a suspension of joint services with Canadian Airlines International, Thai Air Lines, Cathay Pacific and Air France.

Regarding its plans to hire more foreign staff, JAL said that the ratio of foreigners among the 6,000 cabin crew members was to be raised sharply, from around 8 percent to 30 percent "as soon as possible." The number of foreign flight crews is to be more than doubled

from 40 three-man teams to 100 by early 1995, it added.

Analysts said the aggressive plan was a positive step for the troubled carrier but would not be enough to allow the airline to meet its forecast of breaking even in the year through March 1994.

Kumiko Takase, an analyst at Barclays de Zoete Wedd Securities, projected that Japan Air Lines would still post a loss in the year to March 1994, although she changed her forecast from a loss of 30 billion yen to one of 23 billion yen. (AFP, Reuters, Bloomberg, AFX)

## Sales and Prices Grow Modestly In U.S. Rebound

By Lawrence Malkin  
International Herald Tribune

NEW YORK — The government Thursday reported a gain of 1.2 percent in retail sales during December, indicating that American consumers continued to support the slow recovery, although with uncertain vigor.

Low inflation, as measured by a reported 0.2 percent gain in wholesale prices last month, hinted that the economy is in a virtuous circle of slow growth in both output and prices, in contrast to the normal price surge coming out of recession.

The core rate of wholesale prices, excluding food and energy, rose 0.3 percent in December, and annual figures for goods inflation show it running at an unusually low rate of less than 2 percent.

The numbers offered little guidance for President-elect Bill Clinton in deciding whether to seek new tax cuts or more deficit spending to help boost the economy.

Such a cut had been one of Mr. Clinton's campaign promises, but he backed away from it at a news conference in Little Rock, Arkansas, on Thursday. He said he planned to introduce a program to increase investment, as pledged in the campaign, but added, "We have a structural deficit that is too high. The American people would think I was foolish if I said I would not respond to changing circumstances."

He reiterated his principal aims of cutting the deficit, alleviating the health-care crisis, reforming campaign finance and setting up a program of national civilian service.

Consumers seem to be on their way back without federal help, said David C. Muro of High Frequency Economics. For the second half

of 1992, he estimated that real consumer demand rose between 2 and 3 percent. Because consumers account for two-thirds of U.S. economic activity, their spending represents a good floor under the economy.

But how long the trend will last is more difficult to judge because of incomplete and often revised figures from retail outlets. The narrower the focus, the more spotty was last month's spending surge.

Automobile sales rose 3.2 percent, pumped up by Ford Motor Co.'s end-of-year discounts on its Taurus models to overtake the Honda Accord as the year's best-selling passenger car. In the first 10 days of the new year, however, the auto companies reported that sales of cars and light trucks slowed to an annual rate of 9.1 million from the strong rate of 11.2 million posted in December.

By any reckoning, Christmas sales in department stores were excellent. The Commerce Department reported they were 10.2 percent better in December than last year's dismal season.

But when compared with the previous month instead of the previous year, the government's figures were less dynamic and more confusing. Although overall sales rose 1.2 percent, department store sales actually fell 0.7 percent in December after rising 0.3 percent in November, and retail business at all stores — excluding the volatile automobile business — rose 0.6 percent last month after dipping 0.2 percent in November.

Edward Johnson, who compiles the closely watched Johnson Redwood

See SALES, Page 14

## Rethink of Fare Cuts Lifts Airline Stocks

Compiled by Our Staff From Dispatches

The U.S. airline industry, with one foot over the precipice of a new fare war, has begun scrambling for firmer ground, and the stock market reacted favorably Thursday to the recovery of balance.

Northwest Airlines, which this week announced new deep-discount fares for accompanied travelers, sharply limited them to a few cities on Wednesday; there were signs that other carriers were cutting back on their initial plans to match each other's cuts.

"When we first initiated this, our intention was to put in a new leisure-travel pricing structure," said Jim Faulkner, a Northwest spokesman. "It now looks like it's taking on the dimensions of a fire sale and the industry can't afford to see that happen."

When Northwest made its move, there were fears that a new spiral of fare cuts was under way, similar to last spring's disastrous round. Northwest said that it would give a 20 percent discount for two people traveling together, 30 percent for three and 40 percent for four or more, all with advance purchase and Saturday-night-stay requirements.

Quickly, Delta Airlines announced its own version of cuts, slashing fares where it is in competition with Northwest by 20 to 40 percent. American Airlines matched Delta's cuts. United, Continental and TWA all came in with versions of the Northwest cuts.

On Wednesday, Northwest said it would end the blanket cutbacks on Jan. 17. Delta quickly followed suit.

In New York, Delta's stock rose a sharp \$3.50 to close at \$53 while the stock of AMR Corp., American's parent, rose \$2 to \$69 and that of UAL Corp., parent of United, jumped \$5.125 to \$130.375. The Dow transportation average gained 29.41 points to close at 1,495.4.

Separately, Standard & Poor's put the debt ratings of AMR, Delta and UAL on review with negative implications. The move affected \$19.5 billion worth of securities. S&P said it considered the continued operation of bankrupt rival airlines, recession in important overseas markets and foreign investment in U.S. carriers. (W.P. Reuters, UPI)

**NIKKO EURO-YEN MONEY MARKET FUND MANAGEMENT COMPANY (LUXEMBOURG) S.A.**  
R.C. Luxembourg B 22355  
16, Boulevard Royal  
2449 Luxembourg  
B.P. 14  
Telephone 46 33 84  
Fax 46 68 72  
Telex 60731 NIK LU

**NIKKO EURO-YEN MONEY MARKET FUND MANAGEMENT COMPANY (LUXEMBOURG) S.A.**  
16, Boulevard Royal  
Luxembourg  
R.C. Luxembourg B 22355

Notice is hereby given to unitholders of NIKKO EURO-YEN MONEY MARKET FUND that the following alterations be made to the Management Regulations dated 17th October 1991 to take effect one month from the date of publication of this notice.

- Amendment of Article 4 Investment Policy sub-paragraph (a) so as to read:
- (a) line 2: delete "short term" and replace with "day";  
line 3: delete "will" and replace with "must" and add "cash deposits, and all other" between "in" and "money";
- (c) line 2: delete "bonds and similar debt obligations" and replace with "and other liquid assets";
- (d) line 2: delete "treasury bills";
- (e) add "and other liquid assets in which the Fund may invest" between "Instruments" and "have";
- (f) (1) line 1: delete "securities" and replace with "other liquid assets";  
line 3: delete "These restrictions shall not apply to securities issued by a government or international organization in Western Europe, North America, Japan, Australia or New Zealand";
- (2) (ii) line 1: delete "bonds and notes" and replace with "Money Market Instruments";
- (3) to be deleted and
- (4) to (ii) inclusive to be renumbered accordingly.

Copies of the Management Regulations & the prospectus as amended are available in full from Nikko Bank (Luxembourg) S.A., 16 Boulevard Royal, L-2010 LUXEMBOURG.  
The Board of Directors  
Nikko Euro-Yen Money Market Fund Management Company (Luxembourg) S.A.

### CURRENCY & INTEREST RATES

Cross Rates												Eurocurrency Deposits												Key Money Rates											
Jan. 14		Jan. 14		Jan. 14		Jan. 14		Jan. 14		Jan. 14		Jan. 14		Jan. 14		Jan. 14		Jan. 14		Jan. 14															
Australian	1.56	1.55	1.54	1.53	1.52	1.51	1.50	1.49	1.48	1.47	1.46	1.45	1.44	1.43	1.42	1.41	1.40	1.39	1.38	1.37	1.36														
Brazilian	1.25	1.24	1.23	1.22	1.21	1.20	1.19	1.18	1.17	1.16	1.15	1.14	1.13	1.12	1.11	1.10	1.09	1.08	1.07	1.06	1.05														
Canadian	1.33	1.32	1.31	1.30	1.29	1.28	1.27	1.26	1.25	1.24	1.23	1.22	1.21	1.20	1.19	1.18	1.17	1.16	1.15	1.14	1.13														
Denmark	1.48	1.47	1.46	1.45	1.44	1.43	1.42	1.41	1.40	1.39	1.38	1.37	1.36	1.35	1.34	1.33	1.32	1.31	1.30	1.29	1.28														
French	1.66	1.65	1.64	1.63	1.62	1.61	1.60	1.59	1.58	1.57	1.56	1.55	1.54	1.53	1.52	1.51	1.50	1.49	1.48	1.47	1.46														
German	1.93	1.92	1.91	1.90	1.89	1.88	1.87	1.86	1.85	1.84	1.83	1.82	1.81	1.80	1.79	1.78	1.77	1.76	1.75	1.74	1.73														
Italian	2.00	1.99	1.98	1.97	1.96	1.95	1.94	1.93	1.92	1.91	1.90	1.89	1.88	1.87	1.86	1.85	1.84	1.83	1.82	1.81	1.80														
Japanese	133.75	133.70	133.65	133.60	133.55	13																													

### MARKET DIARY

## Buyers in Frenzy For Technology

NEW YORK — The 1993 rally in technology stocks gained momentum Thursday, pushing the key over-the-counter index to its third record close this week.

Leading computer companies such as Intel, Digital Equipment, and Compaq Computer fueled a rise in the overall market, as investors become increasingly optimistic about the industry's prospects.

The Nasdaq over-the-counter index soared 8.92, to 695.70. The

Digital Equipment ignited a buying frenzy in technical issues, reporting a narrower-than-expected loss for its second quarter. "DEC really did it this morning," said Thom Brown of Rutherford Brown & Catherwood, DEC, the most-active issue on the New York Stock Exchange, rose 7 3/4 to 42 1/4.

It was followed by Kodak, which gained 1 1/2 to 49 3/4 after the company told managers they would have to buy shares in the company.

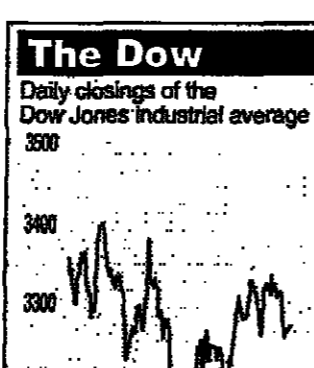
American Depository Receipts in Vodafone were third, up 1 to 6 3/4, recovering from a recent 4-point drop linked to competition from British Telecom.

The big-name computer issues, which have been strong in recent weeks, added to their gains. Intel, the most-active OTC issue, rose 2 3/4 to 113. "Intel reported fabulous earnings yesterday, and that initiated the rally in Nasdaq stocks," said Barry Berman, head trader at Robert W. Baird & Co. "Now, it seems almost every computer company is reporting strong results."

Motorola soared 11 to 123 3/4, capped by the second quarter and the fourth quarter and an even rosier outlook for 1993, analysts said.

Amel Corp., one of the smaller semiconductor makers, surged 1 1/2 to 18. The company reported fourth-quarter net income more than fivefold, to \$4.7 million.

Even IBM rose, adding 1 to 48 3/4. (Reuters, Bloomberg, UPI)



**Standard & Poor's Indexes**

Index	High	Low	Close	Change
Indust	3778 3/8	3774 7/8	3780 1/8	+3 3/8
Transp	378 1/4	378 1/4	378 1/4	+1 1/4
Utilities	416 1/4	415 1/2	416 1/4	+1 1/4
S&P 500	328 3/8	328 1/8	329 3/8	+1 1/4
SP 100	282 3/8	282 1/8	283 3/8	+1 1/4

**NYSE Most Actives**

Symbol	High	Low	Close	Change
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
Intel	113 1/4	113 1/8	113 1/4	+2 3/4
Motorola	123 3/4	123 1/8	123 3/4	+11
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4

**AMEX Most Actives**

Symbol	High	Low	Close	Change
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
Amel	18 1/2	18 1/8	18 1/2	+1 1/2

**NYSE Diary**

Category	Close	Prev.
Advanced Declined	1180	1075
Unchanged	879	879
New Highs	118	118
New Lows	11	11

**AMEX Diary**

Category	Close	Prev.
Advanced Declined	342	371
Unchanged	222	222
New Highs	7	7
New Lows	5	5

**NASDAQ Diary**

Category	Close	Prev.
Advanced Declined	1,529	1,421
Unchanged	1,268	1,268
New Highs	4,227	4,227
New Lows	4,227	4,227

### N.Y. Stocks

Standard & Poor's Electronic Semiconductor Index, which tracks the five largest independent makers of computer chips, rose 7.00, to a 10-year high of 144.71.

Elsewhere in the broader market, the Dow Jones industrial average was less impressive. The blue-chip average edged up 4.23 points, to 3,267.88, although advancing issues on the New York Stock Exchange outnumbered decliners by about a 2-to-1 ratio.

It's a couple of stocks, namely J.P. Morgan and Merck, that held back the Dow," said Edward Collins, executive vice president of institutional trading at Daiwa Securities America. Morgan slumped 3 1/2 to 61 1/2 on lower-than-expected earnings. Merck fell 1 1/2 to 42 after Morgan Stanley cut earnings estimates on several pharmaceutical stocks.

## Despite Data, the Dollar Rises on Short Covering

NEW YORK — The dollar rose slightly on Thursday as a late rally erased losses caused by mushy U.S. economic data.

The rally was triggered by chart-watching traders and was fed by the covering of short positions, market participants said.

The U.S. currency gained a little against the Deutsche mark, to 1.6243 DM from Wednesday's closing 1.6220 DM, and against the yen, to 125.845 yen from 125.665. The dollar rose to \$ 5.3030 French francs from 5.4985 and to 1.4850 Swiss francs from 1.4836. The pound slid to \$1.5375 from \$1.5493.

Robert A. Brusca, chief economist for Nikko Securities Co., said the dollar "sagged early following the economic news."

The Labor Department reported producer prices rose 0.2 percent in December. The department also said initial claims for state unemployment insurance rose 52,000 in the week ended Jan. 2, to 343,000.

The Commerce Department re-

ported retail sales increased 1.2 percent in December to a seasonally adjusted \$166.7 billion.

"Retail sales were still upward, the inflation news was pretty good, but when I look at these numbers I think the economy isn't going to be as strong as people expect in the first half of the year," Mr. Brusca said.

"Clinton doesn't have his team in place, and the sense of aimlessness he shows will hurt the dollar," the economist said. "I think there's going to be a rethinking about how strong the U.S. economy really is."

Despite all this, the dollar spiked in the afternoon as traders covered positions taken during the declines Wednesday and early Thursday.

"Dealers thought the dollar would easily test 1.6200 marks," as it moved down, said Tom Moore, senior director at American Express Bank. "When it didn't, they started buying it back."

The initial upward move "set off stops at 1.6250, 1.6260, all the way up," said Keith Cheveralls of Nippon Credit Bank, referring to stop-loss trades ordered ahead of time by short sellers to cover themselves in case of a rapid rise. (Reuters, UPI)

### NYSE Most Actives

**NYSE Most Actives**

Symbol	High	Low	Close	Change
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
Intel	113 1/4	113 1/8	113 1/4	+2 3/4
Motorola	123 3/4	123 1/8	123 3/4	+11
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4
IBM	48 5/8	48 1/4	48 5/8	+1 3/4

**AMEX Most Actives**

Symbol	High	Low	Close	Change
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
Amel	18 1/2	18 1/8	18 1/2	+1 1/2
Amel	18 1/2	18 1/8	18 1/2	+1 1/2

**NASDAQ Diary**

Category	Close	Prev.
Advanced Declined	1,529	1,421
Unchanged	1,268	1,268
New Highs	4,227	4,227
New Lows	4,227	4,227

**NASDAQ Diary**

Category	Close	Prev.
Advanced Declined	1,529	1,421
Unchanged	1,268	1,268
New Highs	4,227	4,227
New Lows	4,227	4,227

### Dow Jones Averages

**Dow Jones Averages**

Index	High	Low	Last	Change
Indus	3778 3/8	3774 7/8	3780 1/8	+3 3/8
Transp	378 1/4	378 1/4	378 1/4	+1 1/4
Utilities	416 1/4	415 1/2	416 1/4	+1 1/4
Compo	1028 1/2	1027 5/8	1028 1/2	+1 5/8

**Standard & Poor's Indexes**

Index	High	Low	Close	Change
Indust	3778 3/8	3774 7/8	3780 1/8	+3 3/8
Transp	378 1/4	378 1/4	378 1/4	+1 1/4
Utilities	416 1/4	415 1/2	416 1/4	+1 1/4
S&P 500	328 3/8	328 1/8	329 3/8	+1 1/4
SP 100	282 3/8	282 1/8	283 3/8	+1 1/4

**NYSE Indexes**

Index	High	Low	Close	Change
Composite	695 7/8	695 1/8	695 7/8	+1 1/4
Technology	123 3/4	123 1/8	123 3/4	+11
Finance	222 3/8	222 1/8	222 3/8	+1 1/4

**NASDAQ Indexes**

Index	High	Low	Close	Change
Composite	695 7/8	695 1/8	695 7/8	+1 1/4
Technology	123 3/4	123 1/8	123 3/4	+11
Finance	222 3/8	222 1/8	222 3/8	+1 1/4

**AMEX Stock Index**

Index	High	Low	Close	Change
Composite	18 1/2	18 1/8	18 1/2	+1 1/2
Technology	18 1/2	18 1/8	18 1/2	+1 1/2
Finance	18 1/2	18 1/8	18 1/2	+1 1/2

**Market Sales**

Index	High	Low	Close	Change
NYSE 4 a.m. volume	266,734,000			
NYSE 5 a.m. volume	266,734,000			
AMEX 4 a.m. volume	162,420,000			
AMEX 5 a.m. volume	162,420,000			
NASDAQ 4 a.m. volume	1,253,000,000			
NASDAQ 5 a.m. volume	1,253,000,000			

**N.Y.S.E. Odd-Lot Trading**

Symbol	Buy	Sales	Start*
Jan. 12	16,600	29,500	13,800
Jan. 11	16,600	29,500	13,800
Jan. 10	16,600	29,500	13,800
Jan. 9	16,600	29,500	13,800
Jan. 8	16,600	29,500	13,800
Jan. 7	16,600	29,500	13,800
Jan. 6	16,600	29,500	13,800
Jan. 5	16,600	29,500	13,800
Jan. 4	16,600	29,500	13,800
Jan. 3	16,600	29,500	13,800
Jan. 2	16,600	29,500	13,800
Jan. 1	16,600	29,500	13,800

**S&P 100 Index Options**

Strike	Call	Put	Open	High	Low	Close	Change
300	1.10	1.10	1.10	1.10	1.10	1.10	0.00
310	1.10	1.10	1.10	1.10	1.10	1.10	0.00
320	1.10	1.10	1.10	1.10	1.10	1.10	0.00
330	1.10	1.10	1.10	1.10	1.10	1.10	0.00
340	1.10	1.10	1.10	1.10	1.10	1.10	0.00
350	1.10	1.10	1.10	1.10	1.10	1.10	0.00
360	1.10	1.10	1.10	1.10	1.10	1.10	0.00
370	1.10	1.10	1.10	1.10	1.10	1.10	0.00
380	1.10	1.10	1.10	1.10	1.10	1.10	0.00
390	1.10	1.10	1.10	1.10	1.10	1.10	0.00

**NASDAQ Diary**

Category	Close	Prev.
Advanced Declined	1,529	1,421
Unchanged	1,268	1,268
New Highs	4,227	4,227
New Lows	4,227	4,227

**NASDAQ Diary**

Category	Close	Prev.
Advanced Declined	1,529	1,421
Unchanged	1,268	1,268
New Highs	4,227	4,227
New Lows	4,227	4,227

### SALES: Up Modestly, Prices Too

(Continued from first finance page)

book, said his latest retail report show the first weeks of January running 2.4 percent ahead of December, which is better than expected for after-Christmas business. Whether this lasts depends in part on consumers' individual prospects.

David Wynn of DRI/McGraw Hill said consumers continued to

### EUROPEAN FUTURES

**Food**

Contract	High	Low	Close	Change
WHEAT (CFT)	147 1/4	147 1/4	147 1/4	0.00
RICE (CFT)	11 1/2	11 1/2	11 1/2	0.00
SUGAR (CFT)	16 1/2	16 1/2	16 1/2	0.00
SOYBEANS (CFT)	10 1/2	10 1/2	10 1/2	0.00
CORN (CFT)	5 1/2	5 1/2	5 1/2	0.00

**Metal**

Contract	High	Low	Close	Change
ALUMINUM (LBS)	1.15	1.15	1.15	0.00
STEEL (CFT)	45 1/4	45 1/4	45 1/4	0.00
COPPER (CFT)	1.15	1.15	1.15	0.00
ZINC (CFT)	1.15	1.15	1.15	0.00

**3-MONTH EURO CURRENCY (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change
3-MONTH LIBOR	6 1/4	6 1/4	6 1/4	0.00

**3-MONTH LIBOR (LIBOR)**

Contract	High	Low	Close	Change</
----------	------	-----	-------	----------

TSB Opens U.K. Bank Blues

By Erik Ipsen
International Herald Tribune
LONDON — The first of Britain's big banks reported its results for 1992 on Thursday, and once again the news was not good.

The chairman, Sir Nicholas Goodison, pinned much of the blame on the "depression in the property market." That was widely seen as bad news for Barclays PLC, which has the largest exposure to the property sector.

The biggest problem for TSB last year continued to be its corporate lending arm, Hill Samuel. The bank took £1.8 billion of bad and doubtful debts — much of them property-related — out of that unit last month and transferred them to a new Loan Administration Unit.

Hill Samuel's problems reflect

Natwest Cleared On Blue Arrow

Compiled by Our Staff From Dispatches
LONDON — National Westminster Bank PLC and its former chief executive, Tom Frost, were cleared by the government Thursday of any wrongdoing in the 1987 Blue Arrow share scandal.

The exoneration will boost the chances of NatWest's chairman, Lord Alexander, who is one of the candidates to succeed Robin Leigh-Pemberton as governor of the Bank of England later this year.

An ill-considered attempt to grow its market share rapidly in the late 1980s. "If you tried really hard to make bad loans you could not have done worse," Mr. Pye said.

The normally wary Sir Nicholas sounded a rare hopeful note, saying that "there appear to be grounds for cautious optimism" in the economy because of recent cuts in interest rates and the devaluation of the pound.

Independence Soon for Bank Of France

Compiled by Our Staff From Dispatches
PARIS — France's central bank will be set free of government control this year no matter which party wins the legislative elections in March, Finance Minister Michel Sapin said on Thursday.

The bank will be given its independence in order to "reassure the market that the stability of the franc is no longer a matter of public debate," Mr. Sapin said at a meeting of American and British journalists.

Mr. Sapin said that in approving the Maastricht treaty on European union, the French people had also voted for the bank's becoming independent and its eventually joining the Bundesbank in the proposed European central bank.

Meanwhile, Prime Minister Pierre Berégovoy said the 1993 budget deficit would be "a little greater" than the target of 165 billion francs (\$30 billion), Bloomberg Business News reported.

Siemens Sees Flat Earnings for 1993

Compiled by Our Staff From Dispatches
MUNICH — Siemens AG announced Thursday better-than-expected earnings for the quarter ended Dec. 31, lifting both Siemens shares and the Frankfurt stock market, but it forecast that group profit for the 1993 financial year, ending next Sept. 30, would not show any rise.

"We don't expect profits to be up on last year," said Karl-Hermann Baumann, a member of the board of management of the electronics and engineering company, at a press conference. "I'd say profits will be flat."

Siemens has had a good year but will have to switch to a slower pace this year, said the chief executive, Heinrich von Pierer, noting particular weakness in the company's semiconductor and U.S. operations.

Siemens' share price rose 5.90 DM to 578.90 DM on the news, sparking a broad rally on the market in which most blue chips were favored and the DAX index of 30 leading shares rose 7.24 points to 1,523.74.

Investor's Europe

Table with columns for Frankfurt DAX, London FTSE 100 Index, Paris CAC 40, and various exchange rates and indices for 1992 and 1993.

Source: Reuters, AFP International Herald Tribune

Very briefly:

- Royal Nedlloyd Groep NV's company pension fund said it increased its stake in the company to 9.24 percent from under 5 percent; a spokesman, Piet Mol, said the fund denied that the transaction had anything to do with ousting the investor Torstein Hagnes from the board.

LEICA: Camera Maker With Cult Following Bets on German Reputation

(Continued from page 1)

second. In Solms, a small town north of Frankfurt, workers grind lenses and assemble cameras by hand in a laboratory environment, testing their handwork at each stage.

The worst that can be said about Leica, specialists agreed, is that some people buy the cameras for the name and defeat the purpose of top-notch engineering by enlarging photographs or displaying slides taken with a Leica on less exacting equipment.

Mr. Simon has a ready response to such criticism. "The name Leica does have a certain prestige value, but that will only last five years if it is not constantly supported by an extraordinary performance," he

veys because of their high price. In fact, Nevertheless, said Mr. Hillebrand: "It would be too bad if the market forced Leica to give up. A Leica is a cult object, like a Ferrari among cars or a Rolex among watches."

When a commercial version was introduced at the Leipzig trade fair in 1925, the miniature camera was still an anomaly among its bigger, bulkier cousins of the day and innovative in its use of 35mm movie film rather than solid photographic plates. In addition, the Leica's shutter was virtually silent.

David Travis, curator of photography at the Art Institute of Chicago, wrote in the 1989 catalog to an exhibit titled "On the Art of Fixing a Shadow."

"For the photographer who desired to record life surreptitiously, the small 35mm camera known as the Leica was unsurpassed."

"Many hand cameras had to be reloaded with another small glass plate or sheet of film after each exposure. This was common for photographers to plant themselves and await the movement of the subject to resolve itself within the frame. The Leica allowed them a new agility in the flux of the changing situation itself," he wrote.

That agility was popularized in the late 1920s and 1930s by Paul Wolff, another amateur photographer who won a Leica in 1926 and went on to become a famous Leica photographer, and by photojournalists such as Hungarian-born Robert Capa.

Mr. Simon said the focus of Leica's research and development activities, a modest 2.5 million DM a year, is "further development of our current line," not newfangled innovations such as autofocus single-lens-reflex cameras.

CARS: The Long Route to Japan

(Continued from first finance page)

European Business Council's automotive committee, reckoned it would take about five years before imports by foreign makers returned to their 1990 level of 222,000 units. Overall imports will more than double over the period, however, as Japanese companies bring in more cars from their U.S. operations to help reduce Tokyo's trade surplus with Washington.

Restrictions from seating up dealer networks in the decades after World War II, when land was cheap and foreign superiority in automaking was unassailable. Only in 1989 was the final barrier removed, a 26 percent luxury tax on imports. "The late '80s and '90s would have been a great time to set up a dealer network," a GM executive said.

Still, in the long run, Western auto executives said they believed they could double or triple their market share. This, however will take more than 15 years. But Jiro Yanase, still smarting from the loss of the VW contract, which represented more than half his business, said the Western automakers were wrong to strike out on their own. "They are making a mistake because they don't understand Japan," said Mr. Yanase, a feisty 77-year-old known for his acerbic comments. "They haven't got a chance."

Sold: Maxwell's Last Cigar

Reuters

LONDON — A bugged table lamp with which the late British publishing tycoon Robert Maxwell may have eavesdropped on his family sold at a London auction on Thursday for four times its expected value.

Malcolm Gordon, a London dealer, paid £350 (\$540) for the lamp, describing it as "an interesting find." The lamp was part of the sale of the contents of the disgraced tycoon's former Oxford mansion, Headington Hill Hall.

Sotheby's realized a total of nearly £300,000 from the sale. Mr. Maxwell's last cigar, sold in a silver cigar box, fetched £368. Among the other items sold was a drinking-glass collection, including a glass given to Mr. Maxwell by Britain's Serious Crime Squad.

The highest price paid at Thursday's auction was £12,650 for a pair of satinwood Victorian card tables.

NYSE Thursday's Closing. Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press. (Continued)

REPUBLIC OF LEBANON. Implementation of a cellular network for 500,000 lines as a part of the plan of generalization of the telecommunication sector throughout the Lebanese Territory. PRE-QUALIFICATION OF CONTRACTORS. In order to implement the government policy to fulfill Lebanon's needs in various public utility services, including the enhancement and development of the telecommunication sector performance.

# Airlines Look to Heavens for Guidance

By Michael Richardson  
International Herald Tribune

**HONG KONG** — Major airlines on Asia-Pacific routes, citing the growing congestion of airspace and airports, are urging the region's governments to introduce new satellite communications and tracking technology.

The technology, known as the Future Air Navigation System, or FANS, is being tested by a number of Asia-Pacific airlines with the backing of national authorities and the International Civil Aviation Organization, a UN agency promoting the system for global use.

FANS would largely replace today's ground-based system, which relies on radar and high-frequency radio, with communication, navigation and traffic management based on satellites.

Radar has a maximum range of just over 200 miles (320 kilometers), while radio is subject to atmospheric disturbance. But FANS allows air

traffic controllers to track and communicate with aircraft virtually anywhere in the world.

Peter Sutch, chairman of Cathay Pacific Airways Ltd., said FANS was the single most urgent project requiring regional endorsement because it "could dramatically improve the efficient use of airspace in the Asia-Pacific region."

FANS relies on four voice- and data-communication satellites operated by Inmarsat, a consortium owned by more than 60 countries. For navigation, it uses Global Positioning System satellites operated by the U.S. government and similar satellites controlled by Russia.

The satellites have been in orbit for a number of years. The main breakthrough is in miniaturized receiving, processing and transmitting equipment being fitted to aircraft to enable them to draw information from and communicate with the ground via the satellites.

Western avionics companies such as Honeywell and Rockwell International Corp. have

developed this equipment and software, with some Russian assistance.

Of the 10 carriers that have so far commissioned satellite equipment, eight have significant route networks in the Asia-Pacific region.

United Airlines recently abandoned the normal fixed routes across the central and south Pacific. Its pilots use a satellite communication system to get rapid approval from ground controllers to change track and flight level to take advantage of the most favorable winds and weather. The airline has reported significant savings in flight time and operating costs.

Qantas is expected to spend up to 50 million Australian dollars (\$34 million) over four years to install satellite equipment on its 55 aircraft. David Massey-Greene, technical manager of the airline's Boeing 747-400 fleet, said FANS could double capacity on trans-Pacific routes by allowing aircraft to fly closer together.

# NASDAQ

Thursday's Prices  
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	12 Month Low	Div	Yld	PE	Vol	High	Low	Latest	Chg
21	19			14	1000	21.00	19.00	20.50	+0.50
25	23			15	1000	25.00	23.00	24.00	+1.00
30	28			16	1000	30.00	28.00	29.00	+1.00
35	33			17	1000	35.00	33.00	34.00	+1.00
40	38			18	1000	40.00	38.00	39.00	+1.00
45	43			19	1000	45.00	43.00	44.00	+1.00
50	48			20	1000	50.00	48.00	49.00	+1.00
55	53			21	1000	55.00	53.00	54.00	+1.00
60	58			22	1000	60.00	58.00	59.00	+1.00
65	63			23	1000	65.00	63.00	64.00	+1.00
70	68			24	1000	70.00	68.00	69.00	+1.00
75	73			25	1000	75.00	73.00	74.00	+1.00
80	78			26	1000	80.00	78.00	79.00	+1.00
85	83			27	1000	85.00	83.00	84.00	+1.00
90	88			28	1000	90.00	88.00	89.00	+1.00
95	93			29	1000	95.00	93.00	94.00	+1.00
100	98			30	1000	100.00	98.00	99.00	+1.00

# AMEX

Thursday's Closing  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High	12 Month Low	Div	Yld	PE	Vol	High	Low	Latest	Chg
10	9			10	1000	10.00	9.00	9.50	+0.50
15	14			11	1000	15.00	14.00	14.50	+0.50
20	19			12	1000	20.00	19.00	19.50	+0.50
25	24			13	1000	25.00	24.00	24.50	+0.50
30	29			14	1000	30.00	29.00	29.50	+0.50
35	34			15	1000	35.00	34.00	34.50	+0.50
40	39			16	1000	40.00	39.00	39.50	+0.50
45	44			17	1000	45.00	44.00	44.50	+0.50
50	49			18	1000	50.00	49.00	49.50	+0.50
55	54			19	1000	55.00	54.00	54.50	+0.50
60	59			20	1000	60.00	59.00	59.50	+0.50
65	64			21	1000	65.00	64.00	64.50	+0.50
70	69			22	1000	70.00	69.00	69.50	+0.50
75	74			23	1000	75.00	74.00	74.50	+0.50
80	79			24	1000	80.00	79.00	79.50	+0.50
85	84			25	1000	85.00	84.00	84.50	+0.50
90	89			26	1000	90.00	89.00	89.50	+0.50
95	94			27	1000	95.00	94.00	94.50	+0.50
100	99			28	1000	100.00	99.00	99.50	+0.50



MOF Plans Move to Ease Rates In Japan

Blomberg Business News TOKYO — The trust-fund bureau of the Ministry of Finance will buy long-term Japanese government bonds directly from the market in an apparent attempt to stimulate Japan's weak economy...

The move may be aimed at spurring a cut in Japan's discount rate, analysts said. The Bank of Japan last cut the discount rate by half a percentage point, to 3.25 percent, on July 27 last year.

The bureau may be looking to force the Bank of Japan to cut the official discount rate by causing yields on bonds to fall with a large purchase, said Hideo Nakajima, a trader at Barclays de Zoete Wedd.

A fall in bond yields would cause prime lending rates to drop, which could prompt the Bank of Japan to cut the discount rate, he said. The yield on Japan's benchmark 10-year government bond eased to 4.425 percent Thursday from 4.445 percent the day before.

Analysts also said the move was an attempt to recycle back into the economy some of the enormous sums of money in postal savings deposits, which the trust-fund bureau administers.

The bureau has 284 trillion yen (\$2.3 trillion) at its disposal, of which half comes from the postal savings system, they said.

A trust-fund bureau official was quoted in news reports as saying that the bureau was not looking to influence the markets. It was looking to expand its own investment opportunities, he said.

Hoping to Trim Costs, Mazda and Nissan Plan Supply Accord

TOKYO — Nissan Motor Co. and Mazda Motor Corp. said Thursday they planned to supply each other with cars, the latest in a recent wave of cooperative efforts by Japanese automakers striving to cut costs.

Under the contemplated agreement, Nissan is expected to end production of small pickup trucks and instead resell similar vehicles made by Mazda. Mazda will resell a similar vehicle by Nissan and is expected to discontinue its own development efforts in that category.

The arrangement, which would involve vehicles to be sold in Japan, would allow the companies to reduce development costs and increase production for the models each continued to make.

Such supply agreements, once rare in Japan, are becoming more common as companies search for ways to cope with slumping sales and profits, something they have rarely had to contend with in the last four decades.

So far, however, most supply agreements have been between a large Japanese company and a smaller one, or between a Japanese manufacturer and a foreign one.

Among Japan's five largest automobile companies, Nissan and Mazda are considered the most troubled. Nissan is losing money and Mazda, while still profitable, is short of cash for future investments.

Mazda-Ford Deal Uncertain

TOKYO — Mazda Motor Corp., apparently worried that four-year negotiations with Ford Motor Co. to jointly make cars in Europe are running into a dead end, is considering working with other automobile companies instead.

"A decision with Ford is being delayed by the difficulty of forecasting the economic climate in Europe," a Mazda spokesman said Thursday. "But to delay too much is not a good idea.

A Mazda spokesman told AFP-Exel News, "We are also holding negotiations with several European automakers on the possibility. Last year, financial difficulties forced Mazda to abandon plans to set up an independent U.S. dealership network for luxury cars.

A decision not to work with Ford, which owns a quarter of Mazda, would be a blow to the Japanese company's global ambitions, analysts said.

Packer Quits Westpac Board

Compiled by Our Staff From Dispatches SYDNEY — Westpac Banking Corp. was thrown into turmoil Thursday with the announcement that Australia's richest man, Kerry Packer, had resigned from the bank's board just one week after joining it.

Westpac's shares tumbled amid concerns that Mr. Packer might dump his recently acquired 9.7 percent stake in Australia's oldest bank, which could deepen its crisis of confidence, rather than holding on as a passive investor.

Westpac confirmed that Mr. Packer's departure followed a disagreement over the bank's program to recover from massive losses, largely on real estate lending.

Westpac said both Mr. Packer and Al Dunlap, managing director of Mr. Packer's private company, Consolidated Press Holdings Ltd., had resigned. It said the pace of its recovery program would now accelerate.

Mr. Packer and Mr. Dunlap both declined to comment. Martin Duncan, banking analyst at BT Securities, said one rumor was that the two men disagreed with the pace of change and the degree of control they would have over the bank.

"The share price from now on depends on whether Packer intends to sell out or whether he intends to hold on to it as a passive investor," he said.

Campbell Raises Bid for Arnotts

Resters SYDNEY — Campbell Soup Co. raised Thursday its bid for the bakery group Arnotts Ltd., which had rejected the initial offer as insufficient.

New Jersey-based Campbell lifted its bid to 9.50 Australian dollars a share from an earlier 8.80 dollars, and the stock rose to close at the new bid price.

The new offer, which closes on Jan. 28, is unconditional. The original offer required 50.1 percent acceptances. Campbell already owns 33 percent of Arnotts' stock.

Its report of a 1.56 billion dollar loss for the year to Sept. 30, 1992, and its disastrous 1.2 billion rights issue that month, which closed 73 percent underwritten.

The turmoil has already claimed the jobs of the bank's chairman, managing director and five other directors since October.

Analysts said the next major test for Westpac shares would be the announcement of a new managing director to replace Frank Conroy, who resigned on Dec. 17.

Mr. Uhrig said the bank's recovery program, which included 300 million dollars of cost cutting, would transform Westpac into a more efficient organization with fewer people.

"Between 10 to 20 percent of the bank's current positions are expected to be abolished over the next two to three years, with the majority occurring over the next 12 to 18 months," he said.

In contrast to the woes at Westpac, profit at Mr. Packer's Consolidated Press group last year as the company disposed of assets.

Documents from the Australian Securities Commission showed that net profit ballooned to 467.1 million dollars in 1992 from 17.6 million a year earlier. The group said the sale of more than 90 companies reduced assets to 2.85 billion dollars from 4.89 billion and slashed debt to 440.6 million from 2.94 billion.

Investor's Asia

Table with columns for Hong Kong, Singapore, and Tokyo indices. Includes sub-tables for Exchange Index, All Ordinaries, Nikkei 225, and various regional indices like SET, Composite, and NZSE-40.

Very briefly:

- Nippon Telegraph & Telephone Corp. said that after studying the idea for several years, it would not participate in a project with France Telecom to develop the Minitel videotex system in Japan. NEC Corp. plans to double production of its multimedia personal computer to an annual rate of 200,000 units in the year to March 1994.

Overseas Money Sloshes Into Hong Kong

HONG KONG — Hong Kong stocks kept climbing Thursday as a foreign investors poured in money on hopes of a resolution to the Chinese-British dispute over how much democracy to allow the territory.

"It is the American and European money that has been coming into this market," said Antony Burpee, senior manager at Pierson Securities (Asia).

He said the strength of the U.S. dollar in recent months was attracting money into the market as the Hong Kong dollar is pegged to the U.S. currency.

The Hang Seng index of leading shares ended the day up 111.42 points, or 1.93 percent, at 5,890.16. It has gained 3.9 percent in two days, and 911.95 points, or 18.32 percent, since Dec. 3.

Volume on Thursday was a relatively high 3.41 billion Hong Kong dollars (\$440.7 million).

"In the United States and Europe there is plenty of money sloshing around that has found a home so there are not necessarily good fundamental reasons but a liquidity argument for the market moving," said Paul Parsons, a senior fund manager at Invesco MIM Asia.

Volume on Thursday was a relatively high 3.41 billion Hong Kong dollars (\$440.7 million).

Volume on Thursday was a relatively high 3.41 billion Hong Kong dollars (\$440.7 million).

Volume on Thursday was a relatively high 3.41 billion Hong Kong dollars (\$440.7 million).

Large table titled 'INTERNATIONAL FUNDS' with columns for fund names, asset values, and performance metrics. Includes sub-sections for 'INTERNATIONAL FUNDS' and 'OTHER FUNDS'.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

# SPORTS FOOTBALL

## Kelly Will Start Sunday for Bills

By Timothy W. Smith  
New York Times Service

ORCHARD PARK, N.Y. — Quarterback Jim Kelly, who did not play in the Buffalo Bills' previous two playoff games because of strained ligaments in his right knee, will start Sunday against the Dolphins in the American Football Conference championship game in Miami.

Marv Levy, the coach of the Bills, has chosen to sit down a hot quarterback in favor of one who has started in the last two Super Bowls. Frank Reich, who guided the Bills to two playoff victories to get them to the championship game, will return to the bench as Kelly's backup.

"I made the decision that I think is correct," Levy said Wednesday. "If we win the game it's the right decision. If we don't win the game we should have done the other thing. If we played Frank and Jim was O.K. and we don't win the game, then we should have played

Jim. When you don't win, you're in a no-win situation, whether you're Jim Kelly or whoever."

Levy's decision produced no controversy within the Bills' camp. But it is likely to be debated around the league, especially since the Bills advanced to the championship game last weekend when Pittsburgh unsuccessfully reinstated an injured starter, Neil O'Donnell, for a productive backup, Bobby Brister.

Levy said the decision to start Kelly was based on the Bills' policy that a starter doesn't lose his job because of injury and because Kelly had been given medical clearance to return to action. Kelly took the majority of the snaps in practice on Wednesday and he said his knee felt good.

"More than anything, my arm felt a lot better," Kelly said. "I felt stronger and I had a lot more zip on the ball."

Levy had made the decision to start Kelly even before the practice. The coach said that Kelly looked

sharp and mobile and that if Kelly didn't have any complications from Wednesday's workout — such as swelling or fluid buildup — he would continue to practice this week and start on Sunday. Kelly is listed as probable on the Bills' injury report.

Reich reacted to his return to the bench in the same low-key way he reacted to his promotion to the starting role when Kelly was injured in the regular-season finale against Houston on Dec. 27.

"I was just hoping to keep things going until he did come back," Reich said. "When he was first injured, this was about the timetable that we expected him to come back. As much as I love to play and compete, the team has always been more important than my individual accomplishments. There's never been any doubt who the quarterback of this team has been."

Kelly, who already wears braces on both knees, will switch to lighter plastic versions that won't hamper

his mobility. He has proved to be a tough quarterback, having never missed more than two games in a season with injuries. This will be his second attempt at returning from a knee injury after a brief recovery period.

In 1990 Kelly was forced from a game with the New York Giants on Dec. 15 with a partial tear in the medial collateral ligament and the cartilage behind his left knee. He missed the last two games of the season, was replaced by Reich, who was 1-1 in those games, and returned for the playoffs. Kelly's first game back was a divisional playoff contest against the Dolphins. The Bills won that game and advanced to the Super Bowl, where they lost to the Giants.

"I'm sure if he can go, he'll go," said Miami coach Don Shula an hour before Kelly and the Bills went out to practice. "Knowing Jim and his toughness, he'll go if he can."



Frank Reich, left, with center Adam Lingmer after the Bills' practice: Back to backing up.

## HGH Drug New Bane Of NFL?

By Frank Litsky  
New York Times Service

NEW YORK — The National Football League, which thinks it has controlled the use of anabolic steroids, may now be facing a problem from the use of another dangerous bodybuilding drug: human growth hormone, known as HGH.

Eric Moore, the New York Giants' starting right guard, and Mark Duckens, a Tampa Bay defensive end who played for the Giants in Atlanta on an indictment by a federal grand jury.

Each was charged with three felony counts: possession of anabolic steroids with intent to distribute, possession of HGH with intent to distribute, and conspiracy.

Moore and Duckens, both 27, are brothers-in-law. Moore was the Giants' first-round draft choice in 1988.

Both pleaded not guilty.

(Garfield Hammock Jr., the U.S. Drug Enforcement Agency agent in charge of the Atlanta office, said Thursday he expects more arrests of NFL players in an investigation of illegal steroid and hormone trafficking. The Associated Press reported.)

Anabolic steroids are artificial versions of the male sex hormone testosterone. HGH is produced in the pituitary gland or synthetically and is used to treat dwarfism.

Steroids and HGH, taken by male and female athletes in conjunction with weightlifting and high-protein diets, are believed to lead to increased muscle mass through a greater capacity for high-level training. But the drugs are banned because their side effects may include cancer, liver damage and heart and circulatory problems.

International and national sports bodies, including the National Football League, test athletes for anabolic steroids. Testing is done in training camp and randomly for about seven players on each of the league's teams on every Monday during the season, according to a league spokesman, Greg Aiello.

"It ends up being about 4,000 tests a year," Aiello said, "although there are still ways people try to beat it."

But there is no accepted test for HGH, which is virtually impossible to detect.

Dr. Robert Huizenga, former team doctor for the Los Angeles Raiders from 1983-90 and the physician who treated Lyle Alzado before he died of brain cancer a year ago, said he had no doubts HGH was used by some in football.

"There is no question that I have heard rumors that numbers of players in the NFL, and some of them prominent, use it and feel it benefits their performance," Huizenga said. "If players feel this way, they will keep using it. If prominent players use it, lesser players will follow in their footsteps."

Huizenga said that Alzado told him he began taking HGH during his comeback in 1990 with the Raiders.

"He took it straight to the time I diagnosed him with brain cancer," Huizenga said. "He was spending \$10,000, \$15,000 a year."

## Pierce Holt: Trivia Expert, Texan and the Stalwart of San Francisco

By Tom Friend  
New York Times Service

SANTA CLARA, California — Pierce Holt's evening ritual is to sit mesmerized in front of the television and watch "Jeopardy!" He and his wife, Deana, want absolute solitude to hear host Alex Trebek's obscure answers, so first they send their three children upstairs for 30-minute baths and then they shout out responses as if Trebek could hear them.

Loser does the dishes.

The quirk is that Holt is an answer, himself, to a host of remote trivia: Name the 49ers' defensive end who is legally blind in one eye; who is named after a rancher, who played just a year of high school football; whose lifelong dream is to farm in Texas; who survived four years of odd jobs before trying college; and who was a 26-year-old rookie and who now is in the Pro Bowl?

Holt, 31, is still so innocent, he keeps an autographed photo of Randy White, the former defensive lineman of the Dallas Cowboys, in a scrapbook. This creates no conflict with his real world, in which his 49ers will play Dallas for the National Football Conference title on Sunday.

"Growing up in Texas, Randy White was my idol," said Holt, reared in Roseburg, 30 miles southwest of Houston. "Every snap on television, I isolated on White because he played so hard. Then, while in college, I was a lifeguard at this pool, and an older man who had recently had a heart attack always jogged in the water. We'd talk. He knew I loved Randy White, so he sent off for an autographed picture and had it mailed to my house. Still got it."

"Let me tell you, on Sundays, I was lushed in the house watching the Cowboys. In fact, 'The Catch' — the pass Joe

Montana threw to Dwight Clark to beat us in 1982 — pretty much broke all of our hearts. Now I'm mad Dwight did that, but not then. I remember it was a bad day."

Holt's voice is barely audible, for he speaks in a whisper. Yet against Washington last Saturday, his actions spoke for him. The Redskins were pedaling toward a tying touchdown in the final minute until Holt twice sacked quarterback Mark Rypien.

Though he is listed as a defensive end, the 49ers direct him inside, over the guards. One look at his gargantuan arms, and it is easy to see why. In 1991, he was co-winner of a league arm-wrestling championship, and his signature pass-rush maneuver is a "swim move," in which he utilizes forearm strength to escape blocks.

"The arm wrestling? Well, I have good

technique." Holt said. "When I was little, about 15, I used to beat some grown men. See, I used to do some roasting. I'm not proud of it, but I did a little arm wrestling at the bar."

But in high school, he weighed 180 pounds. "Had no notion I'd play football," said Holt, who has grown to 6 feet, 4 inches and 280 pounds. "Just because I liked working my dad's farm. We had soybeans, some cotton, a little bit of corn and cattle."

Holt decided to play football as a high school senior, but after graduation he moved to the domesticated life as a new-lwed.

His father, Leslie, ordered Holt to enter junior college, but that lasted one semester because Deana was expecting, and the couple needed more money. Leslie Holt had been a lifetime rancher and named his son after another rancher.

Shanghai Pierce — the founder of Pierce, Texas, Leslie and his wife had driven through the town of Pierce while she was pregnant, and it was the inspiration for their son's name.

"People tell me Pierce is a pretty name," Holt said. "Didn't know that."

For four years, Holt worked at various jobs: auto dealerships, insurance companies, mortgage companies and construction.

In the interim, his older brother, Ed, finished a successful small-college football career, and Pierce again took a fancy to the game. But because he was already 22, he had just a year of Division I eligibility remaining. His only path toward playing four years of college football was to also play small-college football, which is how he got to Division II Angelo State in Texas.

"I was so old, my teammates called me 'Coach Holt,'" he said.

Four seasons later, he was a small college All-American, an academic All-American and a second-round draft selection of the 49ers. But they noticed that Holt had limited peripheral vision. He told them that he was blind in his left eye, a result of amblyopia, or "lazy eye."

On the football field, he said, his limited eyesight is no hindrance because he can "feel" blockers — literally. Even when the 49ers once played in Chicago, with the temperature far below freezing, he went sleeveless.

He wears a shield over his helmet to protect his good eye from stray fingers, but his farm-to-49ers ordeal gets more impressive with each sack.

"Well, only goes to show scouts don't miss too many people these days," said Holt.

## All Eyes On Mansell as the Formula One Champ Goes Indy

By Shav Glick  
Los Angeles Times Service

LOS ANGELES — It was 9:30 A.M. on a rainy Monday at Firebird International Raceway, an out-of-the-way road course in Chandler, Arizona. There wasn't a race car, transporter, driver, mechanic or team official on the grounds, but a couple of dozen photographers and reporters — including three television crews — were gathered at the track's front gate.

They were all from England, France and Italy, eagerly awaiting the appearance of Nigel Mansell, who was scheduled to take his first laps in an Indy car.

Mansell, the reigning Formula One world driving champion from England, had defected to the Indy cars of the United States in what is undoubtedly the most stunning switch in the history of motor racing.

Several days later, when Mansell was at Phoenix International Raceway to make his debut on an oval track, the foreign contingent had swollen to more than 60, including reporters from four London dailies and French and Italian sports weeklies.

"If I'd known there was going to be this much interest, I would have negotiated for the worldwide TV rights to the Indy sea-

son," Mansell said with an infectious grin.

The Phoenix race is on April 4, two weeks after the PPG Cup IndyCar season opener at Surfer's Paradise, Australia.

Other Formula One champions have raced Indy cars in the United States, but under vastly different circumstances. Mario Andretti won the U.S. championship before winning his world title in 1978. Two-time champion Emerson Fittipaldi had been retired for two years before coming to Indy cars. Jack Brabham, Jimmy Clark, Graham Hill, Jackie Stewart, Denis Hulme and more recently, Nelson Piquet, have raced Indy cars — but primarily only in the Indianapolis 500.

Mansell, winner of a record nine races last season and the Autosport International Racing driver of the year, is here to run the entire season for co-owners Carl Haas and Paul Newman in a Lola-Ford Cosworth, with Andretti as his teammate.

Mansell took an enormous cut in pay to make the move. His salary with Newman-Haas has been said to be about \$5 million, roughly one-third the \$14.5 million that Forbes magazine reported he made last year.

"It's funny, the way everyone in Formula One made the biggest issue over my leaving was because of money," Mansell

said, laughing. "Well, if it was about money, what the heck am I doing here? Seriously, it is a several hundred percent pay cut. I've never been motivated by money. I've been motivated by the ambience and the professionalism of the team."

"Then there's the other bonus — having Mario Andretti as a teammate," Mansell added. "He's been a great help already. He took me around the oval" at Phoenix "for about 20 laps in a new Cadillac, pointing out the pitfalls of driving on an oval and how to react at different spots on the track."

"And the attitude of other Americans has been refreshing. Emmo [Fittipaldi] has offered help and advice, and when I was at Laguna Seca, Roger Penske talked with me about what to expect and how pleased everyone was that I had made the move."

"That shows you the difference between Formula One and Indy cars. In my 12 years in Formula One, I can't remember any driver, other than the late Gilles Villeneuve, ever giving me any assistance."

The 39-year-old Briton had never as much as seen an Indy car race until last October, had never sat in an Indy car under power until last week in Arizona and had never driven on an oval track in any kind of car before last Thursday at Phoenix.

"I cannot compare. I repeat cannot compare oval racing to Formula One in any way or form," he said in answer to the obvious question. "It is impossible."

"The car is heavier, four or five hundred pounds heavier, and I think the biggest difference is hanging onto the car in a straight line. That sounds funny, but the car is set up to turn [left] into the corners, so it doesn't want to go in a straight line. This racing is a different world. It's at least as competitive as F1. If not a lot more."

"And then there's the shifting. I haven't used a manual shift in seven years. I don't even know what a clutch is anymore. It's taking some getting used to. I'm almost at a zero-confidence zone. What comfort zone I have is that I know the car was set up perfectly for me by Mario."

So how did he do in his first outing?

After 71 laps around PIR's one-mile oval, Mansell followed his lap speeds from a tentative 38 seconds early in the going to 25.6, 23.5, 22.3, 21.6 and 21.4 on his last lap. His fastest lap averaged 168.234 mph (270.67 kph).

The track record is 171.825 mph, set by Michael Andretti, Mario's son — and the driver Mansell replaced on the Newman-Haas team. In what amounts to almost a trade of talent, Michael Andretti, the 1991

Indy car champion and runner-up last year, left to drive in Formula One for the McLaren team.

Mario Andretti, who was on hand to test the team's newer Ford-powered Lola, was elated by his teammate's performance.

"I think it's fantastic," Andretti said. "And I'd also like to say that I'm not surprised. I've seen Nigel drive and he's always been quick, super quick, everywhere he's gone. A driver just doesn't change. A quick driver is always quick in whatever car. I'm not surprised at all, but still, what he did was remarkable."

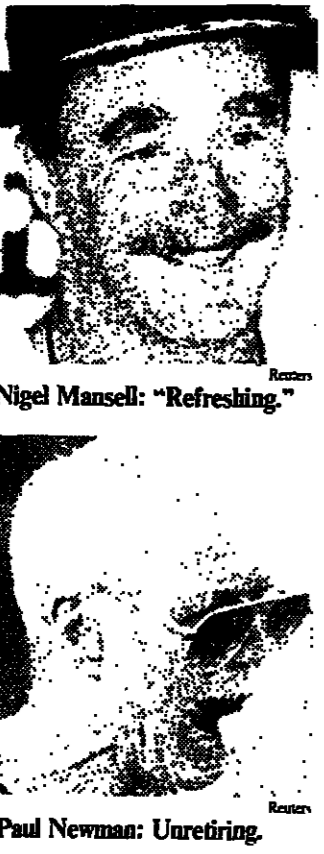
Said Newman, who flew from Connecticut to watch his new driver: "It's great having Nigel in the car at last. I know it's going to be a great season because he's such an exciting driver."

So exciting that the 67-year-old Newman is considering a comeback, Reuters reported.

"If I can get enough seat-time to make it worthwhile, I plan to do it," he said. "I am not concerned about the dangers or my reflexes, but about my endurance."

Newman said he plans to run in the Camel Lights or the Trans-Am series.

"I've been out of action too many years already," he said.



Nigel Mansell: "Refreshing."  
Paul Newman: Unretiring.

### DENNIS THE MENACE

"IF YOU MADE YOUR GRAY THICKER, IT WOULDN'T SPLASH SO FAR."

### PEANUTS

NO, MA'AM. MY DOG DIDN'T COME TO SCHOOL TODAY.

NO, I STILL DON'T KNOW HOW HE GOT A PERFECT SCORE ON THE "TRUE OR FALSE" TEST

MAYBE IT'LL ALWAYS BE A MYSTERY...

I NEVER CAN REMEMBER. DID THE "T" STAND FOR "TRUE" OR FOR "FALSE"?

### BLONDIE

HOW ABOUT CHRISTMAS ORNAMENTS SOME OF THESE LOVELY CHRISTMAS ORNAMENTS?

YOU'RE THREE WEEKS TOO LATE!

ON THE CONTRARY... I PREFER TO THINK I'VE BEEN MONTHS EARLY.

THIS ISN'T EXACTLY WHAT I'D CALL THE CHRISTMAS SPIRIT!

### BEEBLE BAILEY

I ASSIGNED ZERO TO PAINT THE BUILDING, SIR

AREN'T YOU AFRAID HE MIGHT GOOF IT UP?

NO, SIR, I'VE GOT HIM PAINTING BY THE NUMBERS

### WIZARD OF ID

WHAT DOES SAND STAND FOR, DADDY?

STEALING AND LOOTING

### REX MORGAN

THE WORST PART ABOUT LAST NIGHT WAS WHEN I THOUGHT I MIGHT NEVER SEE YOU AGAIN!

I LOVE YOU, NY... MORE THAN ANYTHING!

I KNOW...

### GARFIELD

FOR THE DIETER, HERE'S A FRIDGE WITH A FULL-LENGTH MIRROR

FOR THE INDECISIVE DINER, THIS ONE FEATURES A PEEPHOLE

AND FOR THE CAT OWNER... A PET DOOR

ABSORB

SILLY

PRACTICAL

### JUMBLE

Unscramble these four Anagrams and you'll be able to name, to form words from the letters.

ETTEW

NALAB

PREEMA

SMIDOH

THE KIND OF PEN WITH WHICH TO WRITE A TEARDROPPER.

Now arrange the circled letters to form the original names, as suggested by the above context.

Answer here: A

Answers tomorrow

Yesterday's: Anagrams: GROUP, SHAR, BEWALL, OTHER. Answers: The answer is: BEWALL, OTHER.

### DOONESBURY

AMONG THE MANY QUESTIONS THAT MUST BE ASKED BEFORE ANYONE IS APPOINTED TO A POSITION OF RESPONSIBILITY ARE THESE: DOES HE HAVE THE NECESSARY SKILLS TO DO THE JOB?

AND WHY DID HE BURN NINE YEARS TO PRODUCE THESE HE CLAIMED HE HAD?

ARE THERE ANY OTHER QUESTIONS HE SHOULD ASK? SHOULD HE ASK IF HE HAS THE NECESSARY SKILLS TO DO THE JOB?

LONG AFTER HIS MILITARY SERVICE WAS OVER, HE HAD BEEN FORGOTTEN

### DOONESBURY

AMONG THE MANY QUESTIONS THAT MUST BE ASKED BEFORE ANYONE IS APPOINTED TO A POSITION OF RESPONSIBILITY ARE THESE: DOES HE HAVE THE NECESSARY SKILLS TO DO THE JOB?

AND WHY DID HE BURN NINE YEARS TO PRODUCE THESE HE CLAIMED HE HAD?

ARE THERE ANY OTHER QUESTIONS HE SHOULD ASK? SHOULD HE ASK IF HE HAS THE NECESSARY SKILLS TO DO THE JOB?

LONG AFTER HIS MILITARY SERVICE WAS OVER, HE HAD BEEN FORGOTTEN

### DOONESBURY

AMONG THE MANY QUESTIONS THAT MUST BE ASKED BEFORE ANYONE IS APPOINTED TO A POSITION OF RESPONSIBILITY ARE THESE: DOES HE HAVE THE NECESSARY SKILLS TO DO THE JOB?

AND WHY DID HE BURN NINE YEARS TO PRODUCE THESE HE CLAIMED HE HAD?

ARE THERE ANY OTHER QUESTIONS HE SHOULD ASK? SHOULD HE ASK IF HE HAS THE NECESSARY SKILLS TO DO THE JOB?

LONG AFTER HIS MILITARY SERVICE WAS OVER, HE HAD BEEN FORGOTTEN

To our readers in Switzerland  
It's never been easier to subscribe and save.  
Just call our Zurich office toll free: 155 57 57 or fax: (01) 481 82 88

# SPORTS BASKETBALL

## Baseball Aide Quits, Chiding the Owners

*The Associated Press*  
NEW YORK — Major league baseball's management has been further fragmented by the resignation of the deputy commissioner, Steve Greenberg, who expressed "grave concern" for the sport's future.

Greenberg, in charge of office since Fay Vincent was forced out as commissioner Sept. 7, resigned Wednesday as deputy commissioner, effective Jan. 20.

The 44-year-old former minor league, the son of Hall of Famer Hank Greenberg, was hired by Vincent on Nov. 1, 1989, after several years as a player agent. Greenberg said he had been ignored under the rule established by the executive council's chairman, Bud Selig, presently baseball's highest authority. Greenberg's contract was to expire on March 31, 1994.

"Sadly, I have come to the conclusion that the job that so stimulated me and at which I worked so hard for three years no longer exists," Greenberg wrote Selig. "The deputy's job in its current configuration is not what I bargained for, and is not something I would have given up my law practice and moved my wife and children across the country to take."

In recent weeks, I have felt increasingly underutilized and out of the loop," Greenberg added. "I will leave the commissioner's office without a trace of bitterness — some considerable sadness for the shape baseball is in and grave concern for its future, but to be sure, but no bitterness."

Greenberg's former law partner, Mickey Kantor, was chairman of President-elect Bill Clinton's campaign and has been nominated to be U.S. Trade Representative. But Greenberg said he wasn't interested in joining the Clinton administration.



Thomas Hill highstepped to a rebound as No. 3 Duke bounced back from its first defeat this season, and the loss of the No. 1 ranking, to beat Wake Forest, 86-59, in an Atlantic Coast Conference game.

## No. 1 Kentucky Topped By Vanderbilt, 101 to 86

Chalk up another upset for Vanderbilt's Memorial Gym magic and another quick end to Kentucky's reign as No. 1 in the college basketball poll.

I have to congratulate Vanderbilt," Kentucky's coach, Rick Pitino, said after the Commodores beat his top-ranked Wildcats 101-86, Wednesday night in Nashville, Tennessee. "They did a great job tonight. They outplayed us, and they deserved the victory. They reminded me a lot of our team last year."

Billy McCaffrey scored 22 points and handed out a school-record 14 assists for the Commodores.

Vanderbilt, which has a .779 winning percentage at Memorial Gym, beat the No. 1 team to visit, North Carolina, in 1987-1988.

The Wildcats had taken over No. 1 in The Associated Press poll Monday after Duke's loss to Georgia Tech on Sunday, the first time Kentucky had been No. 1 since 1988. That time, the Wildcats lost to Auburn in their first game with the top ranking.

Vanderbilt was ranked 18th last week but fell from the poll after losses to Memphis State and Florida.

The Commodores (12-3, 2-1 SEC) were nearly perfect at the free throw line, making 36 of 43. Kentucky (11-1, 2-1) found itself in foul trouble early, and by late in the game Jamal Mashburn and Rodney Dent each had four fouls and Travis Ford and Rodrick Rhodes had fouled out.

Rhodes finished with 19 to lead Kentucky. Ford had 18 and Mashburn 14.

Junior Brady capped a 10-4 run with a 3-point shot that gave Kentucky its only lead of the second half, 75-74, with 6:44 to go. But

then the Commodores took advantage of the Wildcats' foul trouble and put away the victory with an 8-3 run capped by two free throws by Kevin Anglin with 3:32 left for an 83-78 margin.

Dan Hall helped the Commodores win the battle of the boards as he grabbed nine of Vanderbilt's 29 rebounds.

No. 3 Duke 86, Wake Forest 59: The Blue Devils (11-1, 2-1 ACC) bounced back big at Wake Forest.

**COLLEGE BASKETBALL**  
breaking away from a 33-33 half-time tie with a 14-0 spurt as part of a 26-6 run as Bobby Hurley scored 20 of his season-high 25 points in the second half. Randolph Childress led the Demon Deacons (8-3, 0-2) with 19 points, while Rodney Rogers, coming off consecutive 30-point games, was held to 15.

No. 5 North Carolina 88, No. 8 Georgia Tech 67: The Tar Heels (13-1, 3-0 ACC) won their fifth straight and snapped the Yellow Jackets' winning streak at eight games. George Lynch and Derrick Phelps each had 20 points for North Carolina, which put the game away with an 11-3 run that gave it a 66-51 lead with 8:24 left. Travis Best's 20 points led visiting Georgia Tech (9-2, 2-1), which was playing for the first time since ending Duke's winning streak.

No. 11 Cincinnati 72, Cleveland State 63: The visiting Bearcats (10-1) struggled to win their seventh straight, but started the second half with a 10-0 run and the Vikings (6-4) got no closer than five of the rest of the way.

No. 12 Iowa 84, No. 19 Minnesota 77: Iowa (12-2, 1-2 Big Ten) set a career-high arena record with 39 free throws as it won its

first conference game of the season. The Hawkeyes set the record last season at 37, also against Minnesota. Eric Arie, who had a total of 24 points in Iowa's two losses last week, had 19 against the Golden Gophers (10-2, 2-1), who were trying to give coach Clem Haskins his 100th win at the school.

No. 14 Virginia 100, Clemson 82: Virginia (10-0, 3-0 ACC) remained the only undefeated team in Division I as visiting Clemson (9-2, 0-2 ACC) missed 23 of its first 24 shots from the field. Cornel Parker had 20 points to lead seven Cavaliers in double figures. Kevin Hines and Bruce Martin each had 12 points for Clemson, which lost for the 12th time in its last 15 games at Virginia.

No. 17 Purdue 76, Wisconsin 60: Glenn Robinson scored 31 points and grabbed 14 rebounds as the Boilermakers (10-2, 1-2 Big Ten) beat Wisconsin at home for the 21st consecutive time. Tracy Webster had 20 points to lead the Badgers (7-4, 0-2), who have lost 13 consecutive conference road games.

No. 20 Georgetown 74, DePaul 45: The Hoyas (9-2) scored the first eight points of the game and then cruised, by forcing visiting DePaul (8-6) into 13 turnovers in the first half.

No. 23 Michigan State 77, No. 21 Ohio State 60: The Spartans (9-3, 1-2 Big Ten) made their first 10 shots from the field in bouncing back from a 52-39 loss to Illinois on Saturday. Shawn Respert had 22 points and junior guard Kris Westensky had a career-high 21 to lead Michigan State. Jamie Skelton got 17 for Ohio State (9-3, 2-1), which had a five-game winning streak snapped and lost at home for the first time in 42 games.

### Owners' Man Hopeful

The chief labor negotiator for the major league owners said Wednesday he would advise his bosses not to lock out players during the 1993 season, The Associated Press reported from New York.

On the first day of collective bargaining, the Player Relations Committee's president, Richard Ravitch, said he thought the owners would back him and hoped the Major League Baseball Players Association wouldn't strike this year. The owners voted by 15-13 on Dec. 7 to reopen the collective bargaining agreement a year early, creating the possibility of a lockout or strike.

### Sabo, Dibble Re-Sign

Chris Sabo and Rob Dibble have new deals from the Cincinnati Reds and both got big raises, The Associated Press reported.

Dibble, 2-5 with 25 saves and a 3.07 ERA, got a \$950,000 raise, to \$2.5 million. Sabo, who hit .244 with 12 home runs and 43 RBIs, got a \$350,000 raise, to \$3.1 million.

## Are Days of Domination Over for NHL's Lemieux?

*By Dave Anderson  
New York Times Service*  
NEW YORK — In the Pittsburgh airport Saturday night, two workmen were discussing the Steelers' 24-3 loss to the Buffalo Bills.

"No Super Bowl for the Steelers," one said. "Just like no World Series for the Pirates. But there's always the Penguins. The Penguins are going to win the Stanley Cup again." "The Penguins!" the other said. "I don't care about the Penguins."

Even if that man doesn't Vantage Point like about the Penguins, he is like so many others, now surely caring about Mario Lemieux, suddenly stricken with Hodgkin's disease, cancer of the immune system.

Even before a damaged back benched Wayne Gretzky of the Los Angeles Kings for the first half of this season, Lemieux had skated to hockey's center stage, an icon in ice sculpture.

When the Penguins won the Stanley Cup last two years, he was voted the Conn Smythe Trophy both times as the most valuable player in the playoffs. With 39 goals and 65 assists for 104 points this season, he was on his way to his fourth Art Ross Trophy as the National Hockey League's leading scorer. He looked as the winner for a second time of the Hart Trophy, the MVP award.

And he seemed to do it all while hardly breaking a sweat. In a 5-2 victory over the New York Rangers last week, the 27-year-old center swooped in on a breakaway, froze goal-

keeper John Vanbiesbrouck and zapped the puck high into the net as if it were on a laser beam. Typical.

Lemieux appears to hypnotize goalkeepers with his reach and range — he is 6-foot-4 (1.93 meters) and rises to 6-7 on skates.

"His face is so calm," Philadelphia Flyers' goaltender Dominic Roussels has said. "He shows no sign of stress."

Now there must be signs of stress. Having had a lymph node removed from his neck, Lemieux will undergo radiation treatments for the next month.

Although team officials said he might be able to play again in four to six weeks, that has been described as possibly overly optimistic because of the fatigue sometimes caused by the radiation.

Over the years, severe illness has struck down baseball's Lou Gehrig with the disease now named for him, football's Ernie Davis with leukemia, basketball's Maurice Stokes with encephalitis.

According to Dr. Charles Burke, the Penguins' physician, Lemieux's life and career are not threatened. Even so, the question remains: Will he ever be the same dominating player again?

Karl Nelson wasn't. As an offensive tackle on the New York Giants' Super Bowl XXI championship team, he was a tower of power: 6-4 and 275 pounds (125 kilograms). But in August 1987, he discovered a lump in his chest. Doctors removed a mass the size of a small fist.

"My form of Hodgkin's disease was considered Stage 1B or 2A. I forget which," Nelson said Wednesday. "That was a little more serious than Mario's Stage 1."

Nelson needed four weeks of radiation in what doctors

call the "mantle area" of the chest, neck and underarms, a week off, a week of radiation on his chest, another week off, then four weeks of radiation in the abdominal area. That span of 11 weeks kept him off the roster throughout the strike-interrupted 1987 season.

After unrelated shoulder surgery, Nelson returned in 1988, but started only three games. Just before the Giants' final game, another lump developed. This time he needed six months of chemotherapy. He never played football again. He's now a Giants radio broadcaster and a financial adviser for an insurance company in New Jersey.

I MET MARIO at the 1989 Dapper Dan dinner in Pittsburgh, where I received an inspirational award, Nelson recalled. "We just shook hands — he probably doesn't even remember. The thing that surprised me was that he was pretty big for a hockey player."

Every six months for the last three and a half years, Nelson has had a checkup without any sign of a recurrence of Hodgkin's, named for the English doctor who discovered it. He feels fine, although he mentioned that "the bottoms of my feet always feel like they're asleep," perhaps a result of his radiation or chemotherapy treatments.

For a hockey player, would a similar feeling in the bottoms of the feet affect skating and performance?

"But the important thing for Mario now is that he's comfortable with his doctors," Nelson said. "He has to keep positive. He has to have a good mental attitude about all this. If you believe your doctors are helping you, they are. If you don't believe they're helping you, they aren't."

### 3 Skiing Races For Men Moved

*The Associated Press*  
ST. ANTON, Austria — Continuing mild weather forced another three changes in the World Cup racing schedule Thursday, when three men's races were moved to the Swiss resort of Vevey-les-Lacs.

Vevey-les-Lacs will take over a giant slalom that had been slated for Jan. 19 in Adelboden, and the Jan. 23-24 downhill and slalom that had been set for Wengen.

Thursday's training run for a men's downhill in St. Anton was called off because of rain and mild temperature. That race had been moved from Kitzbuehel, Austria.

A slalom that had been slated for Kitzbuehel on Sunday has been moved to Lech.

Three women's races this weekend have been moved from Garmisch-Partenkirchen, Germany, to Cortina d'Ampezzo, Italy.

### Baseball Clinics Set for Europe

*International Herald Tribune*  
WASHINGTON — Major League Baseball International will send instructors to conduct clinics in eight European cities from Jan. 15 to 31, Major League Baseball International Partners announced this week.

Bill Buckner, a coach for the Toronto Blue Jays who played 21 years in the majors, will lead one group of instructors that will hold clinics in Noordwijk, the Netherlands; Rimini, Italy, and London.

A second group will hold clinics in Stockholm, Prague, and Barcelona. It will be led by Greg Riddoch, a former manager of the San Diego Padres.

Dutch Remmert, a National League umpire, will head a third group that will hold clinics in Paris and Munich.

Last year more than 1,000 coaches and umpires attended clinics in the Netherlands, France, Czechoslovakia, and Italy.

## SCOREBOARD

### BASKETBALL

#### NBA Standings

EASTERN CONFERENCE			
Atlantic Division			
Team	W	L	Pct.
New York	20	13	.606
New Jersey	19	15	.559
Boston	17	17	.500
Orlando	14	15	.483
Philadelphia	12	18	.400
Washington	13	15	.464
Miami	10	22	.313
Central Division			
Chicago	20	10	.706
Cleveland	20	15	.571
Charlotte	17	14	.548
Indiana	16	16	.500
Detroit	16	17	.485
Atlanta	15	17	.469
Milwaukee	14	19	.424
WESTERN CONFERENCE			
Midwest Division			
Utah	22	10	.688
San Antonio	19	13	.593
San Jose	16	14	.530
Denver	9	23	.281
Minnesota	6	24	.200
Dallas	5	26	.161
Pacific Division			
Phoenix	23	6	.793
Seattle	18	11	.619
Portland	13	17	.433
Los Angeles	11	14	.443
Golden State	10	17	.370
LA Clippers	7	17	.292
Sacramento	12	11	.519

#### WEDNESDAY'S RESULTS

Washington	118	102	W
Portland	107	102	W
Charlotte	91	82	W
Portland	107	97	W
Phoenix	103	89	W
Phoenix	108	106	W
Portland	111	102	W
Atlanta	109	88	W
Atlanta	109	88	W
Atlanta	109	88	W
Atlanta	109	88	W
Atlanta	109	88	W

### Major College Scores

EAST			
Bucknell 89, Fordham 65	Cornell 74, Lafayette 73	Georgetown 74, DePaul 45	Penn St. 70, Northwestern 87
Perth 78, Villanova 58	St. John's 74, Villanova 70	Towson 61, Cornell 54	
SOUTH			
Cornell 85, George Mason 67	Cent. Florida 82, Florida A&M 51	Coastal Car. 83, North Carolina A&T 51	Delho 78, Wake Forest 54
Duke 84, Wake Forest 54	E. Tennessee 81, Marshall 74	Florida St. 92, Georgia St. 87	Georgia 90, Maryland 85
Florida St. 92, Georgia St. 87	Georgia Tech 76, Wake Forest 54	Green Bay 89, Tennessee 84	L.S.U. 84, Mississippi St. 74, UT
Murray St. 92, Tenn.-Martin 64	N. Iowa 61, E. Kentucky 59	NC-Central 82, Sacramento St. 61	N. Carolina 80, Georgia Tech 67
S. Carolina 88, Mississippi 72	Tennessee 85, Mississippi 72	Tennessee Tech 54, Middle Tenn. 76	Tulane 70, Texas Tech 54
VMI 99, Appalachian 81	Vanderbilt 105, Kentucky 84	Virginia 108, Clemson 82	Wake Forest 86, Wake Forest 59
Westvirg. 81, Liberty 59			
MIDWEST			
Akron 62, E. Michigan 57, OT	Ball St. 70, Ohio St. 64	Ball St. 70, Ohio St. 64	Baylor 70, Texas Christian 57
Cal State 91, Buffalo 52	Cincinnati 72, Cleveland St. 63	E. Illinois 79, Henderson 52	Iowa State 91, Kansas 82
Kent St. 84, Kent State 67	Kent St. 84, Kent State 67	Kent St. 84, Kent State 67	Kent St. 84, Kent State 67
Kent St. 84, Kent State 67	Kent St. 84, Kent State 67	Kent St. 84, Kent State 67	Kent St. 84, Kent State 67
Kent St. 84, Kent State 67	Kent St. 84, Kent State 67	Kent St. 84, Kent State 67	Kent St. 84, Kent State 67

## SIDELINES

### Lewis Title Defense Set for London

LONDON (Reuters) — WBC heavyweight champion Lennox Lewis will make the first defense of his title in London on April 24, against an opponent yet to be decided.

Jose Sulaiman, president of the WBC, said a vote was underway among WBC members to decide whether Lewis must fight the No. 1 challenger, Tony Tucker of the United States, or the Lewis camp's choice, London-born Jamaican Alex Stewart. Sulaiman said a decision would be announced in eight to 10 days.

Time-Warner's sports president, Seth Abraham, announced that the American HBO cable television and TVKO pay-per-view organizations had signed a four-fight contract with Lewis.

### Liverpool's Troubles Continue

LONDON (Reuters) — Liverpool's injured midfielder, Michael Thomas, was ruled out for the rest of the season on Thursday with a snapped Achilles tendon, inflicting another blow on the ailing English Premier League club.

Thomas was carried off in the second half of the FA Cup defending champion's humiliating 2-0 third-round replay defeat by second division Bolton. Bolton pulled off one of the biggest upsets in English soccer history Wednesday night on goals by John McGinlay and Andy Walker.

"My form of Hodgkin's disease was considered Stage 1B or 2A. I forget which," Nelson said Wednesday. "That was a little more serious than Mario's Stage 1."

Nelson needed four weeks of radiation in what doctors

## Spur's Johnson Doesn't Get Mad, He Gets Even, With 17-Point Effort

*The Associated Press*  
Avery Johnson didn't take offense when Jerry Tarkanian said the San Antonio Spurs didn't have a point guard. But now he is providing offense on the court.

Johnson had a season-high 17 points and passed for nine assists Wednesday night as the Spurs won, 89-81, at Minnesota and improved their record to 4-0 since he became a starter Jan. 7.

Rather than get upset when Tarkanian, who was fired on Dec. 18, complained about management's failure to acquire a point guard, Johnson said he was correct.

"We are short of a big-time point guard," Johnson said. "Chicago is, too. Portland, Terry Porter is not the prototype point guard. So we are lacking a big-time point guard. But we've got some guys who can make up for it."

John Lucas, 9-2 since replacing Tarkanian as coach, said Johnson enabled the Spurs to make up for David Robinson's 4-for-15 shooting and Sean Elliott's back injury that limited him to 4 1/2 minutes.

"Avery was able to break their pressure and create some baskets," Lucas said. "He's raised his game."

## Spur's Johnson Doesn't Get Mad, He Gets Even, With 17-Point Effort

The San Antonio-Minnesota game marked the debut of Sidney Lowe as Timberwolves coach. Lowe replaced the fired Jimmy Rodgers on Sunday.

But Minnesota lost for the 17th time in 19 games and fell to 6-24.

**NBA HIGHLIGHTS**  
The NBA's second-worst record behind Dallas's 2-28.

Robinson, despite his subpar shooting, grabbed 19 rebounds and hit a big jumper down the stretch.

Nuggets 108, Knicks 92: Denver shocked New York's NBA-leading defense with 51.8 percent shooting.

Reggie Williams scored 22 points and Dikembe Mutombo had 16 points, 16 rebounds and 6 of the Nuggets' season-high 16 blocks as they won for just the second time in 18 games.

The Knicks, allowing just 92.4 points per game on 42.4 percent shooting before traveling to Denver, fell to 0-9 when they give up 100 points.

Celtics 98, Bulls 93: Boston, coming off victories in New York and Cleveland, held on to beat Washington for its seventh consecutive triumph as Reggie Lewis scored 27 points and Robert Parish got 16 points and 16 rebounds for the Celtics. They bolstered their Boston Garden record to 20-1 in their last 21 games against Washington.

The Bulls lost for the 14th time in 17 road games this season.

Pistons 112, Mavericks 96: Detroit kept Dallas winless on the road this season in the debut of the Mavericks' interim coach, Gar Heard.

Heard was named to replace Ritchie Anderson, fired earlier in the day, but the Mavericks still lost their 13th consecutive game and fell to 0-14 on the road this season.

Isiah Thomas scored 20 points and Dennis Rodman had 18 rebounds for the Pistons, snapping a streak of five games in which he grabbed more than 20.

76ers 129, Warriors 122: Jeff Hornacek scored 22 of his 29 points in the second half and led Philadelphia's decisive 10-2 run late in the game against Golden State.

Sarunas Marculionis, who missed the first 24 games of the season with a broken ankle, had 34 points for the visiting Warriors.

### SOCCER

#### ENGLISH FA CUP

Third Round

Manchester United 2, Sheffield Wednesday 2

Liverpool 1, Bristol City 1

Leeds 1, Walsley 1

Nottingham 3, Coventry 0

Sheff. Wed. 2, Sheff. Wed. 2

Third Round, Replays

Cheltenham 2, Aston Villa 1

Bristol 1, Leeds 3

Huddersfield 2, Gillingham 1

Liverpool 2, Bolton 2

Reading 1, Manchester City 4

### CRICKET

#### ONE-DAY WORLD SERIES CUP

Australia vs. Pakistan

Tuesday, 10 Sydney

Australia (58 overs)

Australia won by 22 runs.

### TRANSACTIONS

**BASSEL**  
American League — Howard Aoki, Matsui manager of the Seattle Mariners, agreed to a one-year contract with John Morzone, catcher. MASHAUKUZE — Designated Prospect Shilke, first baseman, for cash contract.

**MINNESOTA** — Named AJ Neuvonen as vice scout.

### For the Record

Dick Schultz, the NCAA's executive director, said it should consider staging a football championship game, after the New Year's Day bowl games, as a much-needed revenue source. (UPI)

Mervyn Marvin Hager, the former middleweight champion, matchmaker Teddy Brenner, and manager and trainer Gil Clancy were inducted into the International Boxing Hall of Fame. (AP)

### Quotable

Bud Collins, the television tennis commentator: "My uncle always describes an unforced error as his first marriage."

**ESCORTS & GUIDES**

**BELLE EPOCH**  
LONDON  
071 597 882  
Credit Cards Welcome

**MERCEDES**  
LONDON ESCORT AGENCY  
MAJOR CREDIT CARDS ACCEPTED  
TEL: (071) 351 6644

**INTERNATIONAL CLASSIFIED**  
(Continued From Page 4)

**ESCORTS & GUIDES**

**IMPRESSIONS**  
NYC Escort Service  
Tel: 212-734-9641 USA

**CHESA ESCORT SERVICE**  
51 Beaufort Place, London SW2  
Tel: 071-584 6513 Established 16 years.

**GENEVA & PARIS**  
PRESTIGE INTL ESCORT SERVICE  
Phone call: GENEVA 022 / 321 99 61.

**MUNICH + WELCOM**  
ESCORT & GUIDE AGENCY  
PHONE CALL 089 / 91 23 14

**VINNYA - PARIS - BUDAPEST**  
Escorted Int'l Escort & Travel Service  
Phone Call Vienna +43 716160102

**GENEVA + WELCOM**  
DOTAL ESCORT SERVICE & TRAVEL  
OPEN 7 DAYS, TEL: 022 762 54 92

**CARIBBEAN LIBERTY INTL. ESCORT**  
Dinner & Guide Service, Credit cards accepted.  
Phone Call 001-694-8800A

**BARCELONA GOLDEN**  
Secret and Guide Service  
Munich/Tel: 342430 47 60

OBSERVER

The Latest D.C. Duke

By Russell Baker
NEW YORK — At these times Washington is like an old courtesan taking a new lover. Necessity counts for more than passion in these affairs, and what appears at first to be love quickly proves to be cold calculation.

in creating joyous expectations since it sets the stage for later stories about the collapse of high hopes. Even more decisive to the sense that something tawdry is afoot is the smell of greed on the air. Greed for money, influence, jobs, taxpayer-subsidized cars, promotions, unlimited expense accounts, partnerships, real-estate killings, titles, servants, retinues, private-plane privileges, invitations to dine, chairmanships, cabinet positions, for seeing oneself praised by notorious newspaper columnists as brilliant, for being introduced to members of the opposite sex as powerful.

How Mr. Smith Took Hollywood to Tokyo

By Christine Chapman
NEW YORK — "Thanks to the Americans, there was audacious sexuality in Japanese films after the war," said Kyoko Hirano, the author of "Mr. Smith Goes to Tokyo," which exposes the often amusing effects the occupation government's policy of censorship had on Japan's film industry and popular culture.



Kyoko Hirano tells of film censorship during U.S. occupation.

a single one among them treated us as animals, the way the Japanese censors had." The process was complicated: First, a synopsis of the screenplay was submitted for approval, then the script had to pass both civilian and military censorship branches, and finally the finished film was judged and often sent back for revisions. Since few censors read Japanese, everything was translated.

PEOPLE

Letterman and Leno: The Big Face-Off?

It looks as if David Letterman is really leaving NBC and all those pinheads and weasels — as he so fondly calls them — who run it. Pretty soon, CBS executives will be the butt of his jokes. His move to CBS, which was expected to be announced late Thursday in New York, would mean big money — reportedly \$14 million to \$16 million — for the "Late Night" host. It means job security for NBC's "Tonight" host, Jay Leno, whose 11:30 P.M. time slot Letterman wanted, and Letterman will get the 11:30 slot at CBS. The New York Times quoted executives close to the talks as saying that NBC had offered Leno's job to Letterman but that he turned it down. NBC executives vehemently denied any such offer.

INTERNATIONAL CLASSIFIED Appears on Page 4

WEATHER

Weather forecast for Saturday through Monday. Includes maps of Europe, North America, Asia, and Oceania with temperature and precipitation data for various regions.

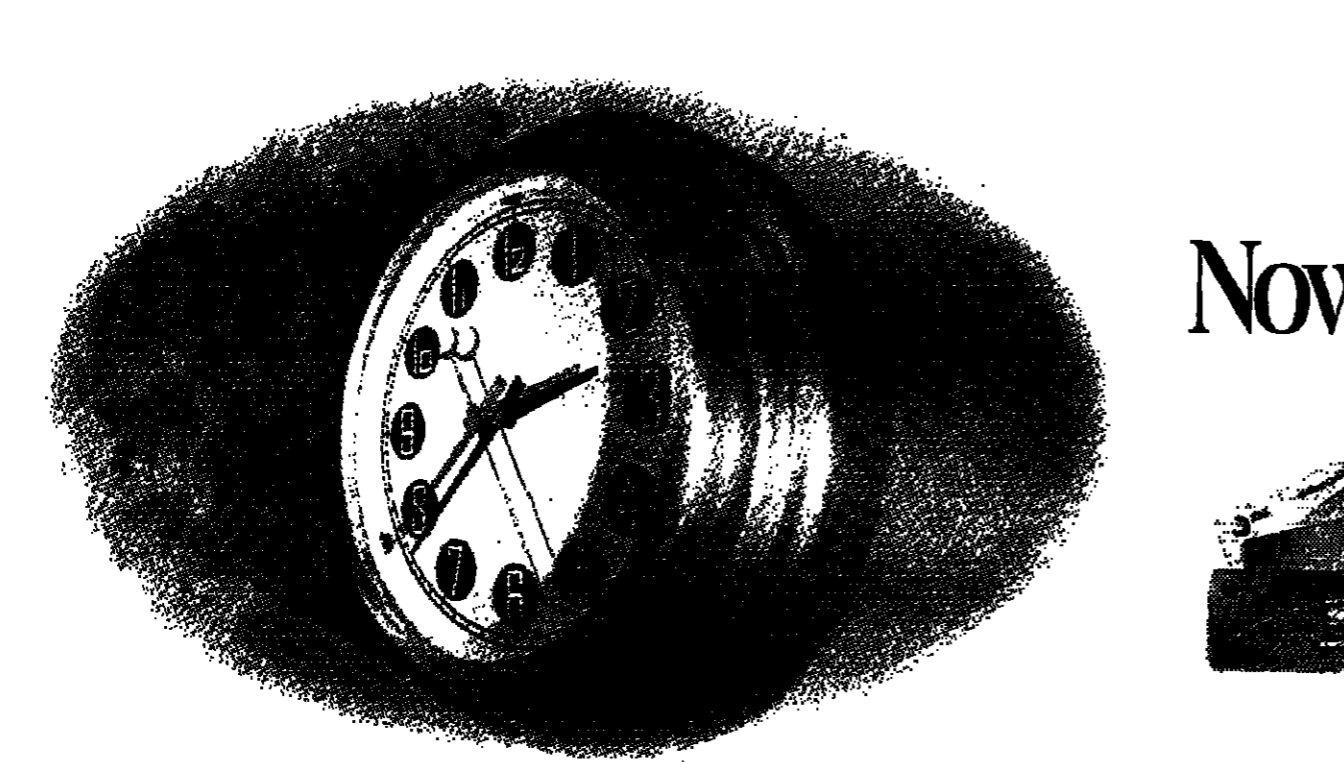
CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to the puzzle from Jan. 14.

BOOKS

LAST WORDS: Variations on a Theme in Cultural History. By Karl S. Guthke. 250 pages. \$24.95. Princeton University Press. Reviewed by Jonathan Yardley

By Alan Truscott
A NEAT defensive play on the diagrammed deal was recently reported by a French journalist after it was played in an interclub match in France.



Advertisement for AT&T USA Direct Service. Text: "Now good news can travel even faster." Includes a list of international access numbers for various countries.

Vertical text on the right edge of the page, including "Sara Hun", "Night", "verb", "Bad Ne", "Iraq Will", "Flights b", "The New AIT".